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11 MARCH 1987

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ROLE OF KERÉKOU'S PERSONAL ADVISORS DISCUSSED

London AFRICAN CONFIDENTIAL in English 21 Jan 87 pp 3-4

[Text]

In late 1986, President **Mathieu Kérékou** set a new record for absence from his country in the 14 years that he has been in power. From 20 November to 20 December he visited the **Soviet Union, Bulgaria, Yugoslavia and China**. He didn't even return home for the 30 November national holiday. Such a long absence might appear risky for a leader who is said to be in difficulty, but the truth is that Kérékou has never felt stronger. He has dispensed with all immediate rivals.

Since 1 January 1987, Kérékou has officially retired from the Beninois armed forces - he was a general before - and has become a civilian head of state. But he still controls the army while key economic and political decisions are taken not by the relevant ministers but by his personal advisers, who rarely take the limelight. They are:

- **Gado Giriguissou**, former minister of public works and housing. He often acts on foreign policy and financial matters. He is the government's leading negotiator. It was he who, in 1985, negotiated a dubious contract with the *Pan Ocean Oil Co.* (PANOCO) for the exploitation of the Sémé oil field, near the Nigerian border (AC Vol 27 No 12). This deal was heavily criticised by the *World Bank*, and PANOCO pulled out of Benin in August 1986. The National Assembly has accepted the government's excuses, confirming that Giriguissou is what is called in Cotonou an 'untouchable.'
- **Baba Moussa**, director of the *Banque ouest-africaine de développement* (BOAD), at its headquarters in Lomé, Togo. In spite of his international job, Moussa is summoned to Cotonou at all hours of the day or night to dispense advice to Kérékou. Lomé to Cotonou is a mere two-hour journey.
- **Souley Dankoro**, minister of commerce and tourism. An army doctor, he is useful to Kérékou because he is the key to the two main northern provinces, Atacora and Borgou. Dankoro is from the Bariba tribe of Borgou, which traditionally considers the Sombas, Kérékou's tribe, as slaves. Relations between the two tribes have never been good, and Kérékou in 14 years has never succeeded in winning the allegiance of the Bariba. Hence Dankoro's importance. Like Giriguissou, he often takes decisions which are properly the responsibility of Finance Minister **Hospice Antonio**, a technocrat who is there to sign papers relating to decisions taken by others.

- **Abdoulaye Mallam-Idi**, officially an 'economic technical adviser', is the rising star of the president's entourage. He is a former teacher of physical education.

Mallam-Idi was the author of a secret memorandum to Kérékou in early November 1986 regarding Benin's financial problems, which have been enormous since the slowing-down of the Nigerian economy in the early 1980s. Benin used to thrive on smuggling with Nigeria. The memorandum, dated 10 November, stated that the treasury's position was 'very tense'. Noting that public service salaries for September had not yet been paid, Mallam-Idi suggested 'a refundable loan' be levied on certain public sector enterprises. At the same time, Mallam-Idi recognised that this would take a certain dexterity in view of the fact that the money held by these societies (*SONAR, LNB, OBSS, SONACOP, COBENAM*), was held in bank accounts. The banks couldn't come up with any money before January 1987, so Mallam-Idi suggested that the government try and negotiate a loan refundable over six to 12 months with **Côte d'Ivoire, Cameroon or Gabon**. 'But it is evident,' the memorandum concluded, 'that this depends on diplomatic relations between ourselves and these countries, Cameroon and Gabon especially.'

So Mallam-Idi suggested to Kérékou that he pursue the matter with his homologues at the Franco-African summit in Lomé in November (AC Vol 28 No 1), and ask for financial aid from French President **François Mitterrand**. Kérékou couldn't face asking Gabon for money in view of the long-standing hostility between the two governments, but in December Mallam-Idi visited a number of heads of state, including Togo's General **Gnassingbé Eyadéma**, on Kérékou's behalf. We note that in recent weeks Beninois civil servants have been paid.

Payment of salaries will help to keep Benin calm, but the real reason for Kérékou's serenity is Colonel **Mama Djougou**, army chief of staff and commandant of the northern army camp at Kandi. Djougou is from Kérékou's home area and is loyal. As long as he's there Kérékou can afford to go abroad. Djougou's men are the only ones in the army with proper arms and equipment, and in any case any trouble within the army would also be dealt with by the president's **North Korean** 'advisers.'

There remain people who are still popular on account of their former achievements such as **Michel Alladayé**, popular in the army. He was expelled from the ruling party for saying in May 1985 that student demonstrators might have some justification. He is one of the so-called 'Ouidah group', the real authors of the coup which brought Kérékou to power in 1972. His colleagues were Captains **Janvier Assogba** and **Michel Ayikpé**. The latter died in mysterious circumstances, according to the government after being caught making sexual advances to Madame Kérékou. Assogba has also been retired from the army.

Alladayé could still in theory make a political comeback. But it is increasingly obvious that any change in Benin will be caused by young army officers trained in the Eastern block. They are annoyed at not being able to acquire the army grade which is their right on grounds of qualifications and experience but which is denied to them because of the financial crisis. This means that people with equal qualifications are not getting the same rank in the army, and not the same salary. They see a possible ally in the **Libyan** representative in Benin, **Mustapha Abusséta**, whose government is cruelly deceived by Kérékou's move to the western camp, especially in regard to **Chad**. Benin had formerly played a useful role for Libya in recruiting Chadian exiles and in diplomatic circles. The government has recently asked Abusséta to leave Benin, but he's still there ●

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CSO: 3400/6

EDITORIAL ON MITTERRAND VISIT TO BURKINA

Ouagadougou SIDWAYA in French 19 Nov 86 p 1

[Text] The president of Burkina Faso, reflecting the revolutionary, open, and direct style for which he is well known, frankly described to President Francois Mitterrand both what Burkina admires in France (the birthplace of the world bourgeois revolution and the land of asylum for many revolutionaries) and what Burkina will not accept from France. The comments were dialectical, objective, and scientific.

An educated man, a writer, and above all a French lawyer, Francois Mitterrand had occasion to exercise his longstanding occupation as a defender of all causes, even lost causes, such as those involving the "ambiguities" surrounding the European visits of Jonas Savimbi or the private visit of Pieter Botha to France. In any case, Tonton is a good lawyer. That is certain. He knows history, including that of Upper Volta (now he knows a little history of Burkina, of course!), Africa, Palestine, Iran and Iraq, Afghanistan and Cambodia, including N'Djamena and the former Western Sahara, now the RASD. He and the president of Burkina Faso agree on three essential principles:

- (1) The right of all people to self-determination.
- (2) The need to find new bases for development cooperation outside the framework of "colonial agreements."
- (3) Debts are intolerable, and African countries cannot repay them under present circumstances. It is necessary to dispose of them in one way or another. Without any pretense we may search in vain in the history of the relations between France and the African countries for an example of toasts of this kind, unhampered by the fixed restraints of protocol.

The meeting was not at all in a context similar to that of Conakry in 1958, between Sekou Toure and De Galle, as certain journalists who specialize in African affairs have sought to make us believe, whatever the cost. We now live in Burkina Faso in 1986. Francois Mitterrand is the first French socialist president to share power with a right wing prime minister, following an extended political struggle in France. In Burkina a special political and historical evolution led to the unity of the organized civilian and military

forces in carrying out the revolution of 4 August 1983.

Let's not go back to the colonial period. We will go forward. We will not step backwards. And all of those who followed the political clash of ideas between the two presidents have recognized this. This was an intellectual exchange of views which went well above the usual "greetings" of the master to his servants which are extended in many places and on many occasions in Europe.

President Mitterrand has regained the verve of a militant socialist, of the intellectual and of the lawyer, in contact with the Burkinan revolution. Each of them realized this. Each one spoke for more than 1 hour, without mincing words and with the freedom which only a militant atmosphere made it possible to establish. As has been said, our guest was "in his own element," and the exchange of views was rich, frank, and friendly, despite the strongly paternalistic accent used by President Mitterrand, which was accepted with the permanent smile of a revolution which smiles at all peoples and their true representatives.

What is the evidence of this? It was in the song which Mitterrand and Sankara joined in singing with all of the participants and with the young singers with their fists raised, "The Internationale," the anthem of all workers, of those who would build a better world for all.

"Let us clear away the past. Let us join together. And tomorrow, 'The Internationale' will be all of mankind." (The words of "The Internationale" are by Eugene Pottier, a French revolutionary.)

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CSO: 3419/26

JOINT COMPANY WITH LIBYA FOR AGRICULTURAL PRODUCTION

Ouagadougou SIDWAYA in French 14 Nov 86 p 9

[Article by Rasmane Ouedraogo]

[Text] In the framework of the solid relationships of multi-faceted and fruitful cooperation between the Burkinan and Libyan people, the agro-pastoral field has not been neglected. This has been demonstrated by the establishment in Burkina in February 1986 of a mixed Burkinan-Libyan Arab company for agricultural and livestock production (SOBALAP).

Why should such a company have been established, and what are its objectives? How does it operate? These were the questions which we asked of the officials of this company, and in particular Fouad Ali Aburghiba, a man of Libyan nationality and the director general of SOBALAP. The company has its headquarters in Ouagadougou in the offices of the former CNDI [National Deposit and Investment Fund], not far from the great mosque.

According to Fouad Ali Aburghiga, the establishment of such a company in Burkina reflects the point of view and the philosophy of the Libyan revolution of contributing to the development of the African continent in general and of Burkina in particular, in its struggle against under development and foreign domination.

Among other things, this Libyan policy of cooperation consists of establishing mixed companies in Africa in several areas of social and economic development. These involve such areas as fishing, agriculture, industry, trade, tourism, etc.

In Burkina the strategic objective of SOBALAP is the achievement of food self sufficiency in accordance with the policy carried out by the National Council of the Revolution and the revolutionary government. To do this, SOBALAP intends to take an active part in the great struggle undertaken by the Burkinan people against the drought and its related effects. In this sense there is no doubt that SOBALAP symbolizes the identity of view and the common will of revolutionary Burkina and the Libyan Arab Jamahiriya in laying the foundations and achieving the objectives of mutually advantageous cooperation, for the benefit of our two, fraternal countries.

In jointly deciding to establish this mixed company, Burkina and Libya intend in this way to give concrete form to their common commitment to work

constantly and side by side in the struggle against misery and oppression. From this point of view and as a political and economic tool for the common struggle, the Burkinan-Libyan Agro-Pastoral Company has the objective of promoting in Burkina the production and exploitation of agricultural and livestock products and byproducts, through appropriate action, particularly by participation in agricultural, livestock, and agro-industrial projects.

Dedicated Support for the 5-Year Plan

In view of its agro-pastoral, industrial, and commercial objectives, it is clear that SOBALAP should be a powerful instrument for contributing to the implementation of the first 5-Year People's Development Plan for the period 1986-90. This plan is now under way in Burkina Faso. Agriculture and animal husbandry have the highest priority in attaining the strategic objective of food self-sufficiency for the people of Burkina. As Adama Dera, associate director general of SOBALAP, has indicated, "Burkina unquestionably has many unexploited resources and has great potential. The wish of the Burkinan side is to take concrete action in connection with social efforts to increase the value and sales of our agricultural products."

We should note that the Burkinan state holds 51 percent of the shares of stock in SOBALAP, compared with 49 percent held by the Libyan Arab Foreign Investment Company (IAFICO), for the account of the Libyan state. As Adama Dera has said, SOBALAP is not a monopolistic or competitive company in Burkina. Rather, it wishes to be a means of achieving true development in the framework of the policies of the CNR. Therefore, SOBALAP is completely complementary to all organizations and groups, state-owned or not, which work in the direction of an independent and food self-sufficient economy in Burkina Faso.

The Burkinan Ministry of Agriculture and Livestock will follow up the activities of SOBALAP in Burkina. To achieve its objectives, the documents which set up the company stipulate that SOBALAP is empowered to purchase all participating shares in all companies already established or to be established and which can be related directly or indirectly to the company's social objectives or to all similar or related objectives, particularly in terms of subscribing to or purchasing shares. Furthermore, the company may undertake commercial activities within and outside of Burkina and, in a general way, undertake all kinds of industrial, commercial, or financial activities. SOBALAP is managed by a Council of Administration consisting of six (6) members (3 Burkinans and 3 Libyans). The company, which is only just beginning to operate, has not completed any particular activities.

According to Fouad, the activities of SOBALAP, properly speaking, will begin after the first meeting of the Council of Administration of the company, which will be held, beginning on 15 November 1986. This first Council of Administration meeting will discuss several essential questions regarding the activities of the company, including the budget and the program of operations.

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CSO: 3419/26

EMPLOYMENT MEASURES DECIDED BY CABINET

Cabinet Announcement

Ouagadougou SIDWAYA in French 6 Nov 86 p 5

[Excerpts] Comrade Thomas Sankara, president of the CNR and of Burkina Faso, presided over the cabinet meeting held on 5 November 1986, which considered the following questions:

The cabinet meeting deliberated at length on the most important of the questions considered at this session, due to its urgency. This concerned the present situation of most of those who have completed their national service and are looking for work.

The solution to this problem is closely linked to the problem of unemployment in Burkina as a whole. This is why the cabinet meeting refused to consider palliative measures in order to consider the basic problem, that is, the struggle against unemployment. This struggle involves the ideological and political choices already made, which mark a break with the ostrich-like policies of the former government which consisted of systematically expanding the civil service.

The cabinet decided on the following, immediate measures:

- (1) Establishing several transportation firms to organize this market and modernize its management, with the help of young, highly-qualified officials.
- (2) Establishing a purchase and sales company to operate in both the city and the countryside to modernize economic distribution networks and provide for their more rational organization and management.
- (3) In all sectors of economic life, where craft type labor and archaic methods are in use, which stifle private initiative, and in order to make a greater contribution to the creation of jobs, the revolutionary government will make it its duty to introduce modern organization and management.

In any case, the ministers concerned will provide all of the necessary explanations in the media.

Analysis of Unemployment Problem

Ouagadougou SIDWAYA in French 7 Nov 86 p 5

[Text] As we may recall, the cabinet meeting held on 5 November took important action regarding job creation to deal with the question of unemployment in our country. All of the ministries directly involved in this matter have already made their preparations on this question. Until they can provide details on the matters pertaining to them, Comrade Basile Guissou, minister of information, provided the following study on 6 November in reply to a question from the press for further details.

On the basis of studies made by experts in the various ministries and to deal with creating new jobs in the different sectors of our national economy, modernizing our economy will be the subject of further study. Meanwhile, the cabinet made specific decisions in the agricultural, commercial, and transportation services sectors.

Our country has enormous potential in terms of jobs, contrary to the view expressed by those who do not want to participate in the struggle for full employment.

Our private entrepreneurs have been confined for a long time to using craft type and archaic methods of work and management which have set one person against another, dividing and neutralizing them. As long as they are isolated and scattered, they will never have a viable and stable financial basis for dealing with the banks in a confident way and, for example, obtaining loans and markets in order to expand their activities. The consequence of this economic situation is the inability of our businessmen to create jobs for supervisory personnel or simple sales agents. This also affects the quality of the services provided by private enterprise.

There are examples such as the operation by the Union of Transporters for Supplying the Sahel (UTAS) to transport 35,268 tons of food between the port of Lome and Ouagadougou during the period from 29 May to 7 August 1985. Our transport firms were unable to find the 255 vehicles necessary for this effort. Many transport firms made commitments but could not carry them out subsequently. It is true that this operation cost about 5.0 billion CFA francs. Finally, there were only 91 Burkinan vehicles which participated in this operation. The other vehicles were Nigerian, Togolese, and Ghanaian, or 164 vehicles, in all. The highway charges were increased on an exceptional basis from 20,000 to 23,000 CFA francs per ton, with a 2,000 CFA franc premium per ton.

Building contractors such as those at Cite An III [Year III Residential Development] have had problems. Our companies are not able to build multi-storied buildings, quite simply because they have inadequate or outmoded equipment. About 3.0 billion CFA francs are invested in the Cite An III project.

In short, it is for the good of all that the cabinet took the decisions already announced. First, it is necessary to help economic entrepreneurs manage their activities more effectively by bringing together their capital and improving their organizations and methods.

After this is done, this process of modernization will necessarily create jobs to help in eliminating unemployment. Finally, the consumers, the customers, you and I, will have the right to expect better service, for each of us will go to the better firms to request their services. Above all, we must understand the aspect of solidarity in developing full employment, because each of us probably has an unemployed sister, brother, or son who will no longer depend on others but will be able to create wealth for all of society.

The most vivid example today is the grouping of 145 cloth weavers selected with the help of the Ministry of Family Affairs and National Solidarity. This involves a new and difficult process. We need the support of public opinion, businessmen, unemployed workers, and of all workers to resolve these economic and social problems. These are human problems, and their solutions are also human. The RDP will resolve them.

The final statement concerns the period of time involved in the creation of these jobs. The cabinet has decided that 1 February 1987 will be the starting date for the establishment of these economic groupings with their new employees. Technical details will come from my colleagues, the ministers of transport and communications, agriculture and livestock, and finally from the minister of peasant affairs.

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CSO: 3419/25

GRAIN HARVEST RESULTS PUBLISHED

Ouagadougou SIDWAYA in French 30 Oct 86 pp 6, 7

[Text] The 1986-87 grain growing season is turning out better than the previous year. The harvest did not meet our food requirements during the 1985-86 season. However, the prospects are that there will be a surplus this year of more than 21,000 tons. Therefore, we are near food self sufficiency or even food security, as we wait for the opportunity to assert our productive power. What could be more reassuring! Moreover, we are certainly far from the 1974-75 or 1982-83 growing seasons when, to relieve the pangs of hunger from which the peoples of the Sahel area were dying, our leaders "vied with one another for the prize of the best beggar of food aid" in the world. The initial studies made by the Ministry of Agriculture and Livestock indicate that we will have more than enough to feed all of the people of Burkina Faso. This is a situation which leads to difficulties of another kind. How should we use the resulting surplus production at the national level? How should we guarantee remunerative prices to our producers and fair prices to our non producing consumers? In other words, how can we reconcile the interests of the producer and those of people living on their salaries?

What possibilities have been outlined on this subject! However, for the immediate future these cannot be implemented. To deal with the most urgent needs, the government will have to purchase surplus production in order to raise prices to the producers.

How should this be done and for what purpose? At the Ministry of Commerce and People's Supply they answer: "This question is being asked too soon. For several weeks a number of interministerial committees have been working on this subject. We are waiting for their conclusions in order to project our policy regarding the next growing season."

In this connection the principal instrument of the Ministry of Commerce and People's Supply remains the National Grain Office [OFNACER]. While waiting for the conclusions of the interministerial committees which have been promised to be released about this time, we will turn to the OFNACER to ask about its hopes and the real possibilities.

Jean-Pierre Ouedraogo, sales director of OFNACER, told us: "Our objective for the 1986-87 growing season is to collect 45,000 tons of grain. However, as we

do not have the necessary funds to do this, we are counting on the help of the state and the international community." The OFNACER is a state-owned body intended to manage international assistance from its inception. The Office receives grain from donor countries, sells it, and deposits the proceeds of these sales in its accounts. For the past year, because of the good harvest following the 1985-86 growing season, it has not asked for any further food aid. In particular, it has handled domestically produced grain in accordance with the policies of the Burkinan Government.

What has been the cost of this activity? Since it has the mission of intervening in the market to hold prices within reasonable limits and to provide a fair return to the farmers, the Office has found it difficult to compete with private merchants. The latter, of course, do not have the same obligations. Thus, although the OFNACER bought its millet, corn, and white sorghum for 80 CFA francs per kilo during the 1985-86 growing season, the merchants bought the same grain for between 30 and 40 CFA francs per kilo. Today, the merchants are reselling their stocks at 60 to 65 CFA francs per kilo. Sometimes they sell for even less, instead of 94 CFA francs per kilo --the official price paid by the OFNACER. Throughout the past year the prices paid by the merchants have been very much below the official prices which the OFNACER has respected up to now.

Consequently, the OFNACER has not been able to sell much of its stocks. Therefore, its warehouses are bulging with grain at this point. It does not have any particularly large storage capacity--about 109,000 tons. However, some 85 percent of its storage facilities are now in use. Therefore, it is necessary to sell the present stocks if it wants to purchase newly-produced grain. To do this, it is charging prices very close to those on the open market. They will sell you a 50-kilogram sack of corn, millet, or white sorghum for 3,600 CFA francs; a tub of corn for 910 CFA francs; or a tub of sorghum and millet for 1,040 CFA francs. This is being done in all of the OFNACER centers throughout the country. The price has thus been brought down from 94 to 65 CFA francs per kilo. This decision was made in agreement with the ministry supervising the Office.

This price reduction will result in a loss of nearly 1.0 billion CFA francs to the OFNACER. However, perhaps it is better to lose 1.0 billion CFA francs today than the whole food stock, worth 10 billion CFA francs, in the future. Will it find purchasers? They are optimistic at the OFNACER. They say that, in the absence of small purchasers, the large customers will prefer dealing with us than with private merchants at the same or slightly higher prices. Will this release enough warehouse space to make it possible for the OFNACER to intervene seriously in the open market and thus have an influence on prices and keep the market within reasonable limits?

In this connection the OFNACER has contacted foreign countries to obtain 20 silo warehouses with a total capacity of 10,000 tons. Comrade Jean-Pierre Ouedraogo said: "However, we need about 1 month. We have asked for help from international organizations and friendly countries."

For a Regional Policy

Let us suppose that all goes well and that the OFNACER has the money and the storage space to collect the 45,000 tons projected. Will it be able to keep the market within reasonable limits? This is not so clear. About 1 year ago we had a decline in food production. Despite that, supply met demand and drove prices down. This year we have a production surplus. Logically, we might conclude that the market will be better supplied with grain than it was last year, as we know that the commercially saleable surplus can very easily be added to the surplus resulting from the difference between net production and consumption. It would be prudent to consider this possibility. As the law of the market requires low prices during a period of abundant supplies, how can we resolve the equation for the coming harvest?

This is particularly the case if, once the harvest is purchased, we cannot sell it on the domestic market. Can we export the surplus if there is such a possibility? We asked this question of Comrade Jean-Pierre Ouedraogo, and he replied: "We will explore this possibility if a decision is made to do so." However, could the problem also be resolved on a regional basis? Could we refer it to the ICDCS [Permanent Interstate Committee for Drought Control in the Sahel]? Why not? This could be done, to the extent that certain countries short of food could have recourse to the surplus grain supplies of Burkina, rather than to the markets of donor countries or to the donors of funds to purchase food. To do that, it would be essential already to be making the necessary contacts in order to alert our foreign aid partners to this problem.

As of now, where shall we find the funds necessary to purchase the grain surplus? About 1 year ago our commercially saleable surplus was estimated at about 300,000 tons. This year it will be larger. At a price of 80 CFA francs per kilo (the official price for the 1985-86 growing season), we would need 80,000 CFA francs per ton, or 8.0 billion CFA francs for 100,000 tons. This is a sensitive point. However, we have to encourage the producer. This brings us to other matters.

High prices are certainly not the only stimulus. Even if this were the only question, the price of grain is not the only point where we can act. Why not encourage the farmers to produce more cotton? FASO-FANI, SOFITEX, and CSPPA could work together and, with some assistance, could provide the beginning of a solution. Between now and then, once SOFIVAR begins operation, it could market our peanuts. We might also consider incentives in kind, premiums, or awards to keep the interest of the farmers.

Certainly, all of this will not resolve the financial difficulties of the OFNACER. However, in any case, it would be appropriate to find other, profitable forms of activity, and livestock raising is available.

The most important factor is the organization of the countryside and the improvement of the sales and distribution networks, without which it will be very difficult to implement any price policy. For example, if the farmers are organized in village groups, we can ask them to take a more active role in the sale and storage of grain. Wouldn't grain banks make possible a larger amount of storage in the villages? These stocks of grain would supplement already existing facilities, such as those of the OFNACER.

The Grain Situation

The following table was prepared by the Ministry of Agriculture and Livestock, on the basis of a preliminary study conducted between 6 and 12 October. It takes into account only the figures for the month of September 1986. These preliminary estimates indicate a surplus of 21,195 tons of grain. As ultimate production will be subject to fluctuation, we may anticipate some adjustment in the figures in this table.

Region	Population	Consumption in Tons	Gross Output in Tons	15% Loss and Seed Deduction in Tons	Net Output in Tons	Deficit or Surplus in Tons
Center	1,636,798	310,992	299,062	44,860	254,202	-56,780
East-Central	622,197	118,217	140,007	21,001	119,006	+ 780
North-Central	844,389	161,212	196,044	29,407	166,637	+ 5,425
West-Central	1,054,822	200,416	250,564	37,584	212,979	-12,563
East	732,802	139,233	230,656	34,598	195,058	+56,825
Upper Bassins	816,565	155,147	201,011	30,151	170,859	+15,712
Yatenga	549,812	104,465	73,809	11,071	62,736	-41,729
Sahel	555,636	105,570	73,579	11,037	62,542	-43,028
Bougouriba	470,950	89,480	120,869	18,130	102,739	+13,259
Moulhon Bassin	952,609	180,996	257,688	38,653	219,035	+36,039
Comoe	261,249	49,637	82,067	12,210	69,757	+20,210
TOTAL	8,497,829	1,695,356	1,925,356	288,803	1,636,560	

Assumptions used: Population based on the respective provincial growth rate.
Food intake based on 190 kg/person/year (national standard).

5170

CSO: 3419/25

BRIEFS

KUWAITI LOAN AGREEMENT SIGNED--On 20 November a ceremony was held in the office of the minister of financial resources to initial a loan agreement between our country, represented by Talata Eugene Dondasse, minister of financial resources, and Murtada Ibrahim, chief of the Bagre Project Evaluation Mission, representing the Kuwaiti Fund for Arab Economic Development. This loan is valued at 4.0 million Kuwaiti dinars, or the equivalent of 4.0 billion CFA francs, and covers the civil engineering construction costs of the Bagre dam. The text of this project agreement must still be reviewed by the Kuwaiti authorities before the definitive agreement is reached, which will be marked by the signature of a formal text. We may recall that the Bagre and Kompienga projects are the two great hydroelectric projects which have been undertaken in our country in the past 2 years. Kuwaiti participation in the construction of the Bagre project is a good example to all and should be welcomed. [Text] [Ouagadougou SIDWAYA in French 21 Nov 86 p 7] 5170

SOUTH KOREAN AGRICULTURAL AID--A substantial amount of agricultural equipment was offered to our country on 12 November by the Republic of Korea. The ceremony for turning over the equipment was held in the office of the Service for the Protection of Plants, under the distinguished patronage of Jean-Marie Somda, the minister of agriculture and of livestock. Keun Bae Choi, ambassador of the Republic of Korea, spoke first at the ceremony and said: "Today's ceremony is a source of profound joy for me, particularly as it takes place at a time when a plague of locusts poses a serious threat to the coming harvest and threatens to reduce to nothing the efforts of Burkinan farmers." The equipment which has just been turned over to our country constitutes the second consignment to be delivered. The first consignment was turned over on 13 February. This second delivery is composed of 19 motor pumps, 40 spraying engines, 300 back portable sprayers, 3 scrapers, and 20 powerful sprayers. [Excerpt] [Ouagadougou SIDWAYA in French 14 Nov 86 p 8] 5170

CSO: 3419/26

STUDENT DEMONSTRATIONS FOCUS ON INDIVIDUAL FREEDOMS

Lisbon EXPRESSO in Portuguese 13 Dec 86 p 24

[Excerpt] One of the leaders of the student demonstrations which took place this week in Mindelo, capital of the island of Sao Vicente, Cape Verde, told EXPRESSO that there is a possibility of further manifestations of student discontent in the city.

The protest began Tuesday on the occasion of the sixth anniversary of the death of rock singer John Lennon. About 200 high-school students marched to the offices of the Cape Verde Security Department, carrying signs that read "Lennon Forever" in English, claiming freedom of expression, attacking the official youth organization, and, according to the official version of the incident, the one-party system.

Earlier, a number of copies of a pamphlet put out by the self-styled Student Democratic Union (UDE) with the slogan "Peace, Love and Music" had circulated at the high school, where it was said that "The people must have individual freedom, the right to choose and control their own lives."

The crowd was dispersed by police near the Security building and nine students were arrested, two of whom were soon released because they were minors. The others remained in custody until Thursday morning and were interrogated about their intentions and the names of the organizers of the demonstration.

Thursday morning, the youth amassed in a larger demonstration, demanding the release of their arrested companions, which did in fact occur.

Student discontent in Cape Verde is probably caused by a recent restriction on access to schooling, among other things. Young men are required to sign up for military service at 18 and can then no longer return to school. Because of large-scale emigration to Europe and the United States, the island of Sao Vicente is traditionally more subject to cultural influences from these two areas of the world than the rest of Cape Verde. The students told EXPRESSO that it was not their intention to time the protest with the visit of the Portuguese president.

8844

CSO: 3442/65

GUINEA-BISSAU

BRIEFS

JAPAN GRANTS FOOD, AGRICULTURAL AID--Dakar, 2 Feb--Japan has given Guinea-Bissau two grants of Y150 million each (about 305 million CFA francs) for financing food aid and an agricultural project, the Japanese Embassy announced here today. The food aid consists of the supply and transportation of rice to Bissau and will help to offset part of the food shortage in Guinea-Bissau. The second grant consists of supplying fertilizers, insecticides, and agricultural machinery for a rice production intensification project. The two grants bring to Y1,983 million (about 3.966 billion CFA francs) Japan's total grants to Guinea-Bissau since 1981. [Text] [Paris AFP in French 1135 GMT 2 Feb 87 AB] /9274

CSO: 3400/966

KENYA

BRIEFS

EIB PORT MODERNIZATION AID—The European Investment Bank has granted a loan of six million European Currency Units to the Kenya Ports Authority for the repair and modernisation of berths and oil terminals at Mombasa. The project covers facilities for bulk liquids, general cargo and containers. The entry into service of the renovated installations, whose total cost is put at 12.2 million ECUs, is scheduled for mid-1989. They will lead to a reduction in delays for ships and lower transport costs. [Text] [Paris INDIAN OCEAN NEWSLETTER in English 31 Jan 87 p 7] /9274

CSO: 3400/6

MOZAMBIQUE

ECONOMIC DEPENDENCE ON USSR INTENSIFIES DESPITE WESTERN AID

Paris LE FIGARO in French 27 Jan 87 p 22

[Article by Daniel Pineye: "A Solid Attachment to the East"; first sentence is LE FIGARO's introduction]

[Text] With economic dependence on the USSR continuing to grow, it would be false to think that Western aid would lead Maputo's rulers to reverse their alliances.

The alliance between Mozambique and the Soviet Union, which was founded on ideology, is now based on close and vital economic links. The West can help this country for humanitarian reasons but it should have no illusions: strengthening Western aid will not convince the leaders in Maputo to reverse their alliance with the USSR, which has become their prime source of aid and their prime supplier, a position that was formerly held by South Africa.

Last 3 November the central committee of the only party in power, the Frelimo, chose Minister of Foreign Affairs Joseph Chissano to succeed President Samora Machel, who died in an airplane crash.

In his inaugural address the new chief of state strongly reaffirmed the Marxist nature of the regime with some very pragmatic remarks. He said that the party must take into account the political and economic realities of the region. This reconfirmed the opinion of those analysts who state that the country has been tending to distance itself from the USSR and align itself with the West since the Nkomati agreement with South Africa and the country's signing of the Lome convention.

A Sovietologist, however, would not share their opinion. For one thing, the USSR has always offered its own pragmatism as an example to its friends. Even Lenin said that it is necessary to lose ground in order to gain the time needed to strengthen the regime. Stalin, as well as all his successors, followed this principle. Gorbachev is getting ready to do the same by proposing changes for the socialist economy.

For another thing, in Mozambique's case in particular, it should be pointed out that the USSR has not been content, as some think, with its role as an arms supplier but has become the country's main economic partner.

Pretoria's Position

In 1984, the very year that the Nkomati pact was signed, Soviet imports to Mozambique surpassed South African imports. The USSR then rose to its position as Mozambique's principal supplier (a position it still holds today), far in front of the United States, which snatched second place from the Republic of South Africa in 1985.

The major Soviet export is crude oil, which has allowed Mozambique to give a new impetus to the production of refined products, which had dropped (210,000 tons in 1983 compared to 685,000 tons in 1980) because there was no money to supply the refineries. Since 1984 the country has again been able to export petroleum products; this helps it earn some of the hard currency needed to import food.

Another important category of exports is capital goods, in particular those which the Soviet statistics "forget" to identify. Cross-checks that can be made in the specialized press do seem to prove, however, that this is primarily equipment for improving Mozambique's fishing fleet. There was a repair facility for the port of Maputo, consisting of a 4,500 ton dock and a wet dock, built in 1982-1983, and of at least three trawlers bought in 1984-1985.

The last category that deserves a mention is airplanes. Air transportation has become vitally important in Mozambique ever since the ambushes carried out by the rebels practically paralyzed highway transportation.

Slow Accomplishments

However, a problem of reliability with the airplanes could prevent them from being exported again. With two accidents in a single year (77 dead, including several leaders and the president), the Soviet vice-minister for civil aviation, Ivan Vassine, felt obligated to accuse South Africa on 12 November of having caused the crash of the aircraft that was carrying President Machel from Lusaka.

When, in 1982, Mozambique finally accepted the necessary conditions for joining the Lome conference, the USSR was already its major source of economic aid. Its grand total of commitments for development aid since the country's independence (\$375 million) is equal to that of all 10 countries of the EEC (\$380 million, multilateral aid included) and quite outpaced Sweden (\$263 million), the principal Western source of bilateral aid.

The amount of new Soviet aid commitments is not known at the moment but judging from the new Western offers no competitor is trying to take its place.

Unlike the West, the Soviet Union carries out its development programs very slowly. Except for a few teaching centers and a joint venture fishing company, the projects defined in the protocols attached to the 1976 and 1980 agreements are only in the research or technical development stage. This explains the small amount actually spent from the Soviet aid: about \$80 million since 1977.

The phase for starting construction is near, however, if it in fact has not already begun, for example at Moatize. The coal mining facility there will soon increase by three mines and two open pit quarries in order to bring production to 5 million tons of coal and, hopefully, to export it. In Mutale production of tantalum should double. In the Limpopo Valley the aim of the irrigation projects is to increase production of cotton and other crop exports.

The equipment needed for these projects will start being delivered soon and the USSR's role in the economy of Mozambique will again be bolstered.

[Boxed material]

A Good Report by the Government

According to the prime minister, Mario Machungo, who spoke to the Popular Assembly on 17 January, the decline in the Mozambican economy seems to have been halted in 1986. Production increased in comparison to the low levels of the previous year. The prime minister reported that industrial production grew by 7 percent and the quantity of consumer goods and food products placed on the market grew by about 30 percent.

He added, however, that the goals of the plan for 1986 were reached only in the sectors of industry, construction and communication; at the same time agricultural production intended for market declined by almost 20 percent and the quantity of agricultural products sold on the market fell by 15 percent.

The prime minister also pointed out that between 1982 and 1985 overall production declined an average of 11 percent per year and the GDP went from \$2.1 billion in 1981 to 1.45 billion in 1985. (Maputo-A.F.P.)

Soviet Trade With Mozambique
(In millions of current dollars)

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
EXPORTS:	27.6	49.4	60.8	103.6	169.4	101.0
Machines, equipment and means of transportation	18.0	23.4	39.1	53.7	108.7	32.9
Aircraft	8.6	12.7	0.6	26.4	34.9	7.5
Miscellaneous	2.8	5.2	15.1	0.9	15.2	1.2
Not identified	6.6	5.5	23.4	26.4	58.5	24.2
Fresh fish	4.2	3.6	2.8	2.0	3.7	2.6
Petroleum	-	-	-	26.5	40.0	44.4
Miscellaneous	0.2	16.4	8.2	0.4	1.1	3.4
Not identified	5.2	5.9	10.7	21.0	15.9	17.8
IMPORTS:	2.6	1.8	9.2	1.1	2.0	1.8
Globulite and tantalite	1.8	1.2	1.2	0.3	0.9	-
Miscellaneous	0.8	0.6	8.0	0.8	1.1	1.8

Source: Foreign Trade of the Soviet Union

9720

CSO:3419/65

AIM REPORT ON 'DECOY' BEACON IN MACHEL CRASH

MB231251 Dakar PANA in English 1150 GMT 23 Jan 87

["Special report" by Carlos Cardoso: "VOR's and Samora Machel's Death"]

[Text] Maputo, 23 Jan (AIM/PANA)--Mozambique's transport minister, Lieutenant General Armando Guebuza, stressed on Wednesday a fact which shows one of the reasons why the Frelimo Party Political Bureau is demanding that the investigations into the causes of the death of President Samora Machel should continue.

That fact was the appearance of signals from a VOR (Very-High Frequency Omnidirectional Radio) about 10 minutes prior to the crash of the presidential Tupolev-134. It was that VOR which caused the plane to turn to the southwest.

The factual report signed by the three members of the international commission of enquiry (Mozambique, the Soviet Union, and South Africa) contains an annex which is the transcription of the conversation amongst the cabin crew. This comes from the cockpit voice recorder (CVR) which was listened to in Switzerland in November. This annex is also signed by all three delegations. The annex has been translated from Russian into English. Throughout the report and annex the time used is not southern African time but universal time (GMT). According to the CVR transcription, at 21:11 and 28 seconds (1911:28) the captain said: "Making some turns. Couldn't it be straight?" The navigator replied "VOR indicates that way."

This was a turn of 37 degrees to the southwest, which begin over the zone between Magude and the South African border. Magude is a town about 100 km northwest of Maputo. Until Magude, the plane was flying with a fluctuation of only 4 to 6 kms from the established route. In navigational terms it was, therefore, on the correct course. A turn to the southwest should have been made over the Manhica area. The angle of this correct term would have been identical to that made by the plane over Magude. Due to the appearance of the VOR referred by the navigator, the aircraft had turned to the right. It made the same turn that it would have made if the signal had not appeared, but did so a few fatal minutes earlier.

According to the CVR transcript, in the following minutes, up until the impact on a hillside at Mbuzini (at 21:21 and 39 seconds), the crew complained that

all navigational aids at Maputo except the VOR were not functioning. The crew said they could get no guidance from the non-directional beacon (NDB), instrument landing system (ILS), or distance measuring equipment (DME). This leads one to suppose that in these minutes the crew did have a VOR signal. In the transcript there is nothing to indicate any disappearance of this VOR right up to the moment of the crash.

Logically, the behaviour of the crew after the premature turn can only be examined after that turn is fully explained. So, what VOR was it? Could it have been the VOR at Matsapa Airport in Swaziland, or was it some other VOR?

A journalist from a news agency with an office in Johannesburg telephoned AIM on the morning of 21 October, asking about reactions in Maputo on the death of President Samora. [as received] During the course of the conversation he told IAM of a strange telephone call that it is useful to recall today. He said that his agency received a call from a man who did not identify himself but who claimed to be an officer in the South African Air Force. He said that South African military had placed a "decoy beacon" in the border area.

Now the factual report states that "during the on-site investigation an abandoned campsite was found on the South African side of the border approximately 150 meters southeast of the place where the aircraft initially contacted the ground. Witnesses on Mozambique's side of the border informed that a tent on the site had been removed on the day after the incident."

The report says that the South African security police at Komatipoort were asked to investigate "who erected a large tent on the site and when." The police reported to the commission that they had found an employee of the Department of Veterinary Services who patrolled this section of the border in September and October 1986. "He frequently saw members of the S. A. Defence Force camping at the place," states the report. "Their tents were however small. The soldiers sometimes played with a yellow ball. He once saw the ball lying on the site shown to him by the security branch (?commander)." The factual report ends this part of the enquiry with the words "the company commander of the army unit in the Komatipoort area has no knowledge of any camps in this particular area."

In his statement, Gen Guebuza said that the investigation could by no means be considered as concluded. The appearance of the mystery VOR means that there are now more questions than answers. Was the VOR a legitimate beacon or a decoy one? Did the crew make mistakes due to lack of attention or were they induced to make errors? Was the crash an accident or a crime, or a combination of action and human failings? These questions can only be answered if the matter of the VOR can be cleared. Until this is done, this whole complex investigation runs the risk of creating more mysteries than it solves.

/9599

CSO: 3400/922

NORDIC-SADCC ACCORD ON HYDROELECTRIC PROJECT SIGNED

MB050819 Harare Domestic Service in English 0500 GMT 5 Feb 87

[Text] Nordic countries have signed an agreement under which they will finance a hydroelectric project in Mozambique. The accord was signed in Gaborone, Botswana, yesterday at the end of the first joint meeting of Nordic countries and the southern African states.

Signing the agreement was the Norwegian minister of development cooperation, Miss Vesla Vetlesen, while Mr Mmusi, Botswana's vice president, signed on behalf of the SADCC. Mr Mmusi is also chairman of the SADCC council of ministers.

The \$30 million hydroelectric station is intended to provide adequate electricity for southern Mozambique with possible transmission lines to Swaziland. It will have three generating units of 8.3 megawatts each.

/9274

CSO: 3400/966

MOZAMBIQUE

NAVINTER PROMOTES MARITIME SHIPPING POTENTIAL

Maputo NOTICIAS in Portuguese 24 Dec 86 p 3

[Article by Naftal Donaldo: "Mozambique Enters Maritime Market"]

[Text] NAVINTER wins bidding and ships nearly 50,000 metric tons of grain from the US to Mozambique.

"Mozambique has all the necessary prerequisites for becoming a trading nation. its geographical location next to land-locked countries, experienced partners capable of transferring the know-how that is so critical to mastering the science that is modern shipping, and in particular the ability and will to learn that has always characterized our people," said Orlando Come, the general manager of NAVINTER (International Navigation Company) in an interview Tuesday with NOTICIAS to explain his company's goal of implementing and solidifying plans made by the People's Republic of Mozambique for the international long-distance maritime shipping market.

NAVINTER is a new state-owned company that began operations in early 1986, although it was chartered under a Council of Ministers decree published on 18 May 1984.

Its founding is important and will have wide-ranging consequences for the consolidation of the economic independence of our country, because it will be through long-distance maritime shipping that the company will earn the hard currency necessary to improve our balance of payments.

NAVINTER's general manager explained that since Mozambique does not have its own fleet of ships, it will have to resort to leasing vessels from foreign companies for each trip during the first phase, and later on an "unmanned ship" basis for a given period of time, i.e., with the option of providing its own crews.

"The Nautical School is training crews with different specializations. We must take this first step into consideration for the future of the Mozambican merchant marine," he added.

He went on to say, "We will not limit ourselves to cargoes that have Mozambique as the point of origin or destination. We will explore interregional and intercontinental maritime shipping."

The Transportation and Communications Ministry official illustrated the growth of the company he runs by mentioning the requests made this year to ship merchandise to and from the Mozambican ports of Maputo and Nacala, emphasizing that all the international bids it was awarded depended on assistance from SEANET and other shipowners. SEANET is NAVINTER's agent in the United States.

"Friday in Maputo we finished unloading 24,890.50 metric tons of bulk wheat imported by the People's Republic of Mozambique from the United States of America. This is the second-largest shipment of grain imported by our country through the company this year. In the first part of the second half of the year, we shipped 14,700.9 metric tons of rice in sacks and 9,114 metric tons of bulk corn from the USA to Maputo and Nacala," said the official.

Orlando Come said that Ocean World Lines was contacted about leasing the Viva 1, a bulk grain vessel flying the flag of Singapore, and the Golfo, a US-flag vessel. Most of the grain was shipped to Nacala, but some went on to Maputo.

He said, "The grain shipped to Maputo was delivered to production lines at the Companhia Industrial de Matola and SOCIMOL."

Around the middle of the year, the Agia Sofia, a grain vessel registered in Cyprus, also unloaded 14,700.9 metric tons of rice and 9,114 metric tons of corn at Maputo and Nacala.

Asked about NAVINTER's plans for the future, Come added:

"In spite of the fluctuations in the shipping market and its unstable and often unpredictable nature, the company is trying to operate in a fast, secure and realistic manner to identify sources of hard currency for Mozambique by offering its services to SADCC, sending representatives to international shipping agencies and associations and increasing its penetration in long-distance maritime shipping."

In the last half of this year, NAVINTER sold the Pemba to INCOM, Ltd., a British scrap iron concern, for \$154,204. At this time, official efforts are under way to sign contracts with foreign companies to consolidate the admirable performance of the company in its first year of operations.

8844

CSO: 3442/65

OVAMBO REPRESENTATION IN TRANSITIONAL GOVERNMENT LIKELY

Windhoek THE WINDHOEK ADVERTISER in English 9 Jan 87 p 1

[Article by Jim Freeman]

[Text] **OWAMBO REPRESENTATION in the Transitional Government is on the cards for mid-1987.**

Sources in both the TG and Owambo say leading businessmen and one of Namibia's richest men, Mr Frans Ndonga, is on the point of forming his own party.

People close to Mr Ndonga told The Advertiser he has already decided on forming a party and that this step would probably be taken in early April.

Mr Ndonga is at present right hand man to the chairman of the Administration for Owambos, Mr Peter Kalangula. He is also deputy leader of Mr Kalangula's Christian Democratic Action for Social Justice party.

The persistent reports of Mr Ndonga's impending departure from the CDA caught Mr Kalangula by surprise at Ondangwa this morning.

Mr Ndonga's plans have taken some time to crystallise. He was also considering the possibility of ousting Mr Kalangula from the CDA leadership, party members revealed.

They say it is probable that Mr Ndonga will entice the vast majority of the 23 Owambo millionaire entrepreneurs in the CDA to his party.

The new party will apply for membership of the Transitional Government, but not as a member of an existing TG alliance.

The South African government, particularly in the form of the Administrator-General, has been trying very hard in recent months to persuade Mr Kalangula to join the TG.

Mr Kalangula has set as a precondition an Owambo election to "give him the mandate of the people".

While the South Africans have made some approving murmurs, the TG is less than entranced by Mr Kalangula's stipulations and is saying no to an ethnic election.

The TG feels that not only would such an election be the entrenchment of Proclamation AG8 at a time when most member parties are seeking to have it repealed, but also that this would have the way for an

Owambo takeover of the government.

"Mr Kalangula will come to Windhoek saying he has the support of more than half of the Namibian people and should be represented appropriately in the government," said one Cabinet Minister.

This would enable Mr Justus Garoëb to do the same with his Damara Council, and the pioneers of the Multi-Party Conference would find themselves in a representational minority, he said.

Any Owambo party of significance that sets no preconditions for participation in the national political dialogue will be more than welcome say National Assembly members.

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CSO; 3400/43

EDITORIAL WEIGHS IMPACT OF SOUTH AFRICAN ELECTION

Windhoek THE WINDHOEK ADVERTISER in English 5 Jan 87 p 3

[Editorial by Jim Freeman]

[Text]

The South African general election called for next year by President P W Botha could have a profound influence on the Namibian settlement issue if electoral campaigns follow their expected patterns.

The Administrator-General, Mr Louis Pienaar, told The Advertiser two months ago that a South African general election would be held around March or April 1987.

At the same time, he predicted that the National Party government's electioneering platform would be violently anti-American in the face of the mounting US disinvestment drive.

It's anticipated that the South African Nats will focus their campaign on anything but their reform programme and blame the United States for the ills afflicting the country. The slogans will probably be along the lines: "SA can do it alone", and "a vote for the Nats is a vote for South Africa".

The Administrator-General added that the NP was fully prepared for the Reagan administration to retaliate by dropping the linkage between the Cuban force withdrawal from Angola and Namibian independence.

However, Mr Pienaar stressed the SA government would hold on to the linkage issue "for as long as is politically feasible" after the American disavowal.

But Mr Pienaar's statements were made before President Reagan became embroiled in the Iranian "arms-for-hostages" tradeoff scandal.

Politicians in Windhoek, and indeed throughout the world, are convinced President Reagan's Republican Party will lose the 1988 presidential election to the Democrats.

With particularly Democratic Senator Edward Kennedy, who not so long ago visited Namibia during

his southern African fact-finding mission, guiding American policy into the 1990s, there are fears all attempts at an internal reconciliation and settlement will be ignored in favour of pressure for a United Nations-supervised election.

At present both the Transitional Government and, to some extent, South Africa favour an election in Namibia: but provided it is monitored by the Western Contact Group.

Both parties' (SA + TG) fears of a UN-supervised election is that Security Council Resolution 435 -- the world guideline for Namibian independence -- has long been urged for implementation by Swapo.

One of the chief provisions of the United Nations plan is the deployment of a UN Transitional Assistance Group in the territory.

But such a deployment in Owambo, not only the home of more than half Namibia's population but also Swapo's chief support resource, would be seen as a Swapo victory long before polling started.

There would be a Swapo landslide in the north and the fear would transmit itself throughout the country.

The result would resemble Zimbabwe following the 1980 election when Robert Mugabe's Zanu took almost all the seats in government but for those few guaranteed to the whites under the Lancaster House agreement.

So, one can see the opposition to Resolution 435 and understand why the South Africans and the Namibian internal grouping is seeking an alternative.

Both West Germany and, to a lesser degree, the United States (under Reagan) have perceived some sense to this argument and there has been debate on the issue by the Contact Group.

However, though an anti-American platform to win votes in a South African general election might be a handy ploy for Mr Botha but it could also be seriously detrimental to Namibia.

Any alienation of what is regarded as the only force powerful enough to push for a non-UN election could sound the death-knell for the internal attempts at securing peace and independence for Namibia.

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CSO: 3400/43

MEIRING ON PREPAREDNESS OF ANGOLAN ARMY

Windhoek THE WINDHOEK ADVERTISER in English 7 Jan 87 pp 1, 5

[Article by Jim Freeman]

[Text] **The Angolan armed forces may become arrogant as a result of the conventional arms buildup in the country, and it is a matter of time before they feel they can challenge Namibian-based security forces on or over Angolan territory.**

The outgoing General Officer Commanding the SWA Territory Force, major-general Georg Meiring, said it was particularly the Angolan Air Force that felt it could challenge the superiority of its South African counterpart.

He said the southern Angolan radar net now covered northern Namibia and pilots felt free to fly down to their southern border looking for action.

General Meiring said while there had been no aerial combat between aircraft of the two countries in the past four years, "if they think they can take on our aircraft, they would".

Four years ago, South African jet fighters shot down two MiG-21s in a brief dogfight during a South African cross-border sortie.

General Meiring revealed

that a vehicle patrol that crossed into Angola to lift a Swapo weapons cache three months ago had been attacked by Angolan fighters just 30 kilometres from the Namibian border.

General Meiring said two MiG-21 aircraft had taken off from Lubango in south-western Angola and rocketed the Territory Force patrol.

Several rockets had been fired at the vehicle. None of the Namibian soldiers had been injured, but the vehicle was slightly damaged, he said.

He added that this was "an exceptional" occurrence that had not been repeated.

There had, however, been a number of other confrontations with the Angolan army.

He did not regard these as serious, general Meiring said.

In one incident, about 60 members of the Angolan Army were killed when they ambushed Security Force vehicles pursuing Swapo insurgents back into Angola.

General Meiring, who takes over Northern Transvaal Com-

mand later this month, said a liaison point "of sorts" had been established with the Angolan Army at Santa Clara on the Namibian border.

The Angolans were generally notified when the Security Forces crossed the border in pursuit of Swapo.

The Security Forces had crossed into Angola on hot pursuit operations against insurgents "as often as in past years, only last year we did not publicise it".

General Meiring listed the Angolan Air Force's aircraft

line-up as including Mig-21 F fighters, MiG-23 fighters, the advance Sukhoi Su-22 fighter as well as Mi-25 Hind, Mi-16 and Mi-8 helicopters.

The anti-aircraft air defence system comprised virtually the entire range of Soviet-made SAM missiles, including the sophisticated SAM-6 and SAM-8 tracked systems.

These surface-to-air missiles were used in conjunction with the radar systems and were deployed as far south as Caha-

ma and Matala - less than 300 kilometres from the Namibian border.

General Meiring added that the main radar stations were sited at Lubango, Menongue and Luena as well as intermittently at Cuito Cuanavale.

Rebels from the Angolan resistance movement Unita claim to have attacked Cuito Cuanavale but with dubious success last year.

General Meiring said the rearmament of southern Angola posed not only a conventional threat to Namibia but also a potential counter-insurgency one.

At present Swapo had no permanent bases closer than 250 kilometres to Namibia, fearing that a closer deployment would tempt pre-emptive operations.

In moving to Namibia, however, insurgents sometimes used Angolan Army transport, utilised their logistical lines and availed themselves to Fapla medical assistance.

Asked whether the Security Force might not lose too many soldiers in a pre-emptive strike should Swapo create permanent bases together with Fapla in Southern Angola, general Meiring replied: "It depends how badly you want to take that base".

In deploying in southern Angola, Swapo maintained an headquarters element of two to three members who roved the area avoiding Security Force

detection while their comrades crossed into Namibia on sabotage missions.

General Meiring said not only had the northern Namibian bush war diminished by a third in its intensity last year compared to 1985, but Swapo had scaled down its activities.

"Instead of blowing up a power station, they are now blowing up telephone poles," general Meiring said.

Territory Force headquarters announced this week that 645 insurgents had been killed by the Security Forces in 1986.

Swapo had returned from its guerrilla to a reorganisational phase he said, adding that the number of insurgents had decreased from about 16 000 in 1978 to the present level of about 8000.

The majority were deployed in the MPLA's conflict with Unita, he said, leaving a potential force of about 1200 to infiltrate Namibia.

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CSO: 3400/43

CONDITIONS IN BLACK REHOBOTH SCHOOLS SHOCK MINISTER

Windhoek THE WINDHOEK ADVERTISER in English 26 Jan 87 p 3

[Article by Jean Sutherland]

[Text] **CONDITIONS AT black schools in the Rehoboth Gebiet are "appalling".**

This is the impression of Education Minister Andrew Matjila following a two-day visit to the Gebiet last week.

"With few exceptions all schools are, generally speaking, badly off...but black schools are worse," he told The Advertiser today.

They suffered from poor and inadequate facilities, a lack of equipment and teaching aids, and in many cases teachers were poorly qualified.

Describing the situation as urgent, Mr Matjila said he would submit a report to the Cabinet for discussion tomorrow.

Despite setbacks on the education issue over the past year, the visit to Rehoboth had strengthened his resolve to deal with the schools issue "once and for all", said Mr Matjila.

"We will definitely do so this year -- of this I am convinced."

In another development, the parent committees of two

Swakopmund schools meet tonight with officials of the Administration for Whites to discuss opening their doors to all races.

In addition to the English Medium Primary school, the dual medium Afrikaans/English Medium High School at the coastal resort has now applied to "go open".

A final decision will be taken by the White Administration's executive committee after its representatives report back on tonight's consultations.

Last week's visit to Rehoboth by Mr Matjila and his deputy, Mr Piet Junius, came in the wake of the Rehoboth Regering's refusal to admit non-Baster children to their schools unless the central government helped meet costs.

Two extremes in the Gebiet were described by Mr Matjila today: the heart-rending poverty children at the

Nawaseb school had to contend with; and the "extravagance of a wonderful...modern school, second to none," which was underutilised as it has been located in the isolated Schlip area.

The Schlip school, which has a modern laboratory, 20 classrooms and other facilities was built to accommodate around 600 pupils.

"It has never had 600 children -- at the moment there are around 200 youngsters," Mr Matjila said.

The school was also not performing well, he added. One reason was that the isolated setting had resulted in a high staff turnover.

In contrast, the school at Nawaseb had to accommodate around 198 pupils, ranging from Sub A to Std 4, in three classrooms.

At one black school, the children had virtually nothing to eat and their "hostel accommodation" amounted to badly-constructed tin shacks.

The principal had told him

that when it rained at night, he opened the school to allow the children to sleep in the classrooms.

"Black parents are adamant that their schools must be placed under National Education," Mr Matjila said.

Outlining general conditions at Rehoboth, the Education Minister said there were two schools at every village in the Gebiet: "a black school and a Baster school".

Mr Matjila said he could not understand why one school could not be established.

When he asked why had been told the main reason was language.

When the Rehoboth government had taken over schools in the late 1970s, apparently predominantly Damara and Nama-speaking parents had demanded that their children be taught in Damara/Nama at the lower primary level.

Children at Baster schools are educated in Afrikaans from Sub A.

A few schools could probably be described as integrated, he said, as they were attended by a "sprinkling of non-Basters".

However, one school had proved an exception, "a shining example", Mr Matjila added.

This was the school at Esel Maanhaar.

"It shows what can be done if you have a motivated principal."

It was the only school he felt was truly integrated.

The principal had told him Afrikaans was used as medium of instruction from Sub A, and there had been no objections from parents.

Although Nama- and Damara-speaking children experienced difficulties in the first two to three months, "after that they do just as well as the predominantly Afrikaans-speaking Baster children".

NIGER

BRIEFS

SAUDI AID PROJECT--As part of the regional program "Using Underground Water in the Countries of the Sahel," OFEDES [Office of Subsoil Water] has been given the task of digging 300 wells. This project, which was begun at the initiative of ICDCS, is being financed by the Arab countries in the amount of \$215 million, of which \$100 million is from Saudi Arabia. A Saudi group recently visited the Filingue region to see the progress of the project. Of the \$100 million from Saudi Arabia, \$15 million were earmarked for the emergency food program and \$85 million for hydraulic projects. From this fund Niger received 3.1 billion CFA francs, of which 2.463 billion francs were for digging the 300 wells, with 103 of them in Filingue, 92 in Ouellam and 105 in Gaya. OFEDES has 30 months to complete the work. [Text] [Niamey LE SAHEL in French 21 Jan 87 p 37] 9720

CSO:3419/65

NIGERIA

BRIEFS

BULGARIAN MEDICAL LOAN--Medical equipment worth 80 million naira are to be supplied to the Sokoto State government to service its primary health care scheme. A contract for the supply of the facility was signed yesterday in Sokoto between the government and a foreign company, Messrs [as heard] Medical Budapest of Hungary. The money will be drawn from a \$100 million loan to Nigeria by the Hungarian government for the procurement of equipment for primary health care. Seven states of the federation have so far signed similar agreements with Messrs Medical Budapest under the main package from Hungary. [Text] [Lagos Domestic Service in English 2100 GMT 24 Jan 87 AB] /12858

NIGERIA AIRWAYS TERMINATES UK AIR AGREEMENT--Nigeria has terminated the air service agreement between her and the United Kingdom. In a statement in Lagos yesterday, the Federal Government explained that the action followed several unsuccessful attempts to correct the imbalance in the route schedule to the agreement. The Federal Government took this step in accordance with Article 18 of the agreement. Under the accord, the Nigeria Airways is allowed to operate to two points while the British Caledonian is also allowed to use two points, Kano and Lagos. According to the statement, the Nigeria Airways operate only one point, London and has been unable to find a second point comparable in value as Kano is to British Caledonian. The statement stressed that as much as Nigeria was desirous, no option than to terminate the agreement in view of the position taken by the UK aeronautical authorities on the issue. [as heard] [Text] [Lagos Domestic Service in English 0830 GMT 30 Jan 87 AB] /12858

AID FOR SWAPO PROJECTS--Nigeria has donated \$100,000 toward the building of three projects for the welfare of Namibians at (Koakoa Sunle) in Angola. They are medical centers, vocational training institutes, and [words indistinct] public projects. Presenting the check in the amount on behalf of the Southern African Relief Fund of Nigeria, the ambassador to Angola, Chief Victor Chibundu, said that the donation was just one aspect of Nigeria's efforts at supporting SWAPO's tremendous efforts to free the remaining vestiges of colonialism in Africa. Responding, SWAPO President Sam Nujoma said that the organization always considered Nigeria part of the Frontline States. He assured Nigeria, the Frontline States, and all progressive forces supporting the Namibian struggle that their support was not wasted as SWAPO would soon seize the reigns of power in Namibia. [Text] [Lagos International Service in English 0830 GMT 10 Feb 87 AB] /9274

MINISTRY TO STOP INFORMATION LEAKS--Nigerian Ministry of External Affairs has taken a number of measures to stem unauthorized leaks of information at the ministry. As a first step, only journalists with specific appointments would be allowed entry to the headquarters of the ministry in Lagos. A press office has also been opened at the ministry's Directorate of Public Relations and consular department on Campbell street and newsmen have been advised to always get their information there. A spokesman of the ministry has said that officials will investigate every unauthorized leak and when those responsible for leaking the information are caught, they will lose their jobs. He affirmed that it was not the intention of the ministry to discourage investigative journalism. He spoke of the ministry's wish to maintain the level of cooperation between it and the media. In furtherance of this there will be a daily briefing of newsmen by officials of the ministry in addition to the weekly briefing on Fridays. [Text] [Lagos International Service in English 0830 GMT 14 Feb 87] /9599

CSO: 3400/25

AUTHORITIES PLANNING NEW MULTI-RACIAL CAPITAL

Paris THE INDIAN OCEAN NEWSLETTER in English 31 Jan 87 p 4

[Text] The South African authorities are planning a new "capital" for a federal government of "white" South Africa and its "independent" black "homelands" at Midrand, between Johannesburg and Pretoria. On local development plans it is named SECOSAF, for Secretariat of the Southern African Federation. It is located on the Western side of the Johannesburg-Pretoria motorway and will include institutions related to the "homelands" and the "federal government." The Pretoria-sponsored Development Bank of Southern Africa has invited tenders for a new headquarters on a spacious site next to the "secretariat." IN addition business and residential quarters are planned to surround the institutional area, and the intention is to amend the Group Areas Act, which segregates residential areas according to race, to allow these districts to become "grey" areas accommodating all races.

A large industrial park, which has attracted a number of subsidiaries of multinational corporations, has been laid out on the eastern side of the motorway, and these companies have brought pressure on the government to make available land for housing developments which their black management staff could occupy on a multiracial basis.

I.O.N.--No publicity has been given to this plan, though developers, architects and builders are aware of it. Government silence is understandable because it clearly indicates that reform measures extend only to the ending of "petty apartheid" while retaining all the elements of the "grand apartheid" plan of "independent self-ruled black homelands."

The government believes that with this structure it can retain power within "white" South Africa and exert authority over the "homelands" by playing the major leadership role in the "federation" with the development bank behind it. But while some "homeland" blacks may welcome the arrangement the urban blacks who are members of the United Democratic Front, the Azanian People's Organisation and other anti-apartheid groups, will reject it out of hand.

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CSO: 3400/14

SOUTH AFRICA

CP'S TREURNICHT SAYS AFRIKANERS NO MINORITY

MB062041 Johannesburg SAPA in English 2026 GMT 6 Feb 87

[Text] Cape Town Feb 5 SAPA--The Afrikaner nation refused to allow Mr P.W. Botha to degrade it to a minority group, Dr Andries Treurnicht, leader of the Conservative Party, said tonight. He told about 700 supporters in the Goodwood civic hall that the rightwing unity movement has "started moving like a train and those who want to travel along had better get on board."

The CP was prepared for the struggle and would never surrender. "We will fight to restore our own white government in a land we claim as our own."

He wanted an answer to the one question on which the NP remained silent: "Who in the end governs our people? Who will take the final decisions in our legislative and executive bodies?"

There was only one tried and tested way, as with Western Europe's separate white nations, there had to be separate states in SA. "For SA we ask the same treatment--separate own independent states for the separate population groups." We will repeat the refrain--we claim our own country and our own government. English speakers who know they must fight for their identity and know they cannot live by money alone must know that conservative Afrikaners are their allies."

He said the government was playing the same game with the Group Areas Act as it had done with the Mixed Marriages and Immorality Acts. "I get the clear impression that once an act is being investigated then it is quietly on its way out," Dr Treurnicht said. "The government lets a situation develop, such as Crossroads, and then says it can do nothing because it has been defeated by reality. It lets a situation develop and then establishes its permanently."

He said mixed residential areas meant that children would eventually have to be provided with school facilities and the residents with representation. "It laid the foundation for mixed voters rolls, mixed local government and mixed schools."

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CSO: 3400/999

DEPUTY INFORMATION MINISTER DISCUSSES DECLINING UNREST

MB040515 Johannesburg Television Service in English 1830 GMT 3 Feb 87

[Interview with Deputy Information Minister Stoffel van der Merwe and Bureau for Information Research Director Kobus Neethling by Freek Robinson on the "Network" program -- live]

[Excerpt] [Robinson] Dr Neethling, you have put the case forward justifying the state of emergency by indicating that the unrest incidents have declined. But the question that many journalists still ask is: How can they be sure that those facts are true? How can they believe you?

[Neethling] I would like to... [changes thought] we would like to distinguish between two kinds of statistical reporting here. When you come to day-to-day reporting on the unrest you must bear in mind that is [word indistinct] kind of information, and very often errors can slip in there, and it has and we have admitted that. But the long-term kind of prediction that we make, the long-term analysis, evaluation, that I am showing you today, that has never really been queried.

[Robinson] But with respect, perhaps, I should put this to Dr van der Merwe: Many politicians to question the information of the department.

[Van der Merwe] As Dr Neethling said, no serious scientific challenge has ever been made against the long-term statistics of the bureau. In other words, until such time as a serious scientifically based challenge comes up, then we have to assume that the figures of the bureau are accurate. Political allegations against it -- that is cheap, but a lot of hard work, an extreme lot of hard work goes into the collection of these statistics which not only rely on figures received from the security forces but also from all sorts of other sources.

[Robinson] But then I want to come back to my question again: How can we verify those facts? You say they haven't been challenged but when people are not permitted to go into townships, to go and see for themselves, how can they verify or question them?

[Van der Merwe] There are other organizations, not a part of the government, who keep their own statistics and who have ways and means of getting reports of unrest of...

[Robinson, interrupting] To whom are you referring now?

[Van der Merwe] I am referring, for instance, to the Black Sash, to the Institute of Race Relations, but Dr Neethling would, perhaps, be better able to identify these organizations. And even these organizations have not seriously challenged the statistics of the Bureau.

[Robinson] If such organizations do obtain information from the townships, then journalists can probably ask but why can't they be allowed to do that, why the curbs on the media?

[Van der Merwe] Part of the whole process of revolutionary struggle, of a revolutionary onslaught, is that of course the revolutionaries have to show success. Now if one removes this ban, then it is easy for organizations, all sorts of organizations, to make all sorts of claims regarding successes which are not...[changes thought] you know to refute it afterwards does not carry the same weight as the claims which they make and thereby then get publicity and thereby they create the impression that the revolutionary effort which they are putting in is meeting with a tremendous deal of success. Now if one reduces it to cold statistics on a long-term basis such as what we are dealing with now, then there can be very little dispute and it has a very low publicity value for such organizations.

[Robinson] Can I just get clarity what you actually mean now: Are you saying in effect that if newspapers or journalists are allowed to report freely on these incidents and verify facts for themselves then they, the journalists, would help to further the revolution?

[Van der Merwe] I think that is putting my statement a little bit in the extreme, but what is true there is at least a section of the press which is favorable to the revolutionary organizations that operate in the country.

[Robinson] Who are they? Who are you referring to?

[Van der Merwe] I am referring to all sorts of publications. Let me rather put it this way: I am not referring basically to the members of the press union, for instance, the responsible press, but there is a variety of other magazines and publications that come out from time to time. You can call them underground publications if you wish, and they are then free to make all sorts of claims as regards successes and you must bear in mind that for a revolutionary organization, publicity is a very very important factor. If they do not get this sort of publicity then their whole effort becomes so much harder.

[Robinson] But at the same time, Doctor, it does happen that you do release information on the ANC from time to time. One argument is that if you do allow that kind of statement by Mr Oliver Tambo, for instance, on violence to be published freely then it would actually be counterproductive for the ANC without you taking measures against the ANC.

[Van der Merwe] Indeed, we are making available information from time to time about the ANC. This specific thing which you refer to has been, for instance, a report that appeared in THE NEW YORK TIMES. Now you will know that THE NEW YORK TIMES is not the friend of the South African Government. In fact, the other day we closed their bureau, but they reported on what Mr. Tambo said and certainly they are not going to report it a way favorable for South Africa. But what was quite interesting is that this report was not carried at all by this type of medium. In fact, even in the English-language press it received very scant attention. And so we do release information and, in fact, last year on 12 December the government also released a lot of documents, genuine policy documents of the ANC -- not propaganda, not government created propaganda about the ANC, but the very policy documents of the ANC and again this was carried very little by the press. So the information is there.

[Robinson] It seems to me, if I understand you correctly, that what bothers you in fact is selective reporting from your point of view.

[Van der Merwe] Indeed, selective reporting and publishing propaganda statements by the ANC, for instance, whereas the sort of thing we have released are balanced reports that were compiled by overseas newspapers and policy documents of the ANC itself. I don't think one can get more authoritative and more objective than publishing those.

[Robinson] Dr van der Merwe, I would like to get back to that point but I first want to put this question to Dr Neethling: Can one argue that if the state of emergency had not been declared in June last year that the incidence of unrest would have increased.

[Neethling] I can only go by the information we had up to June and all indications are, all the information, all our analyses, show that the trend was going upward, it was going up dramatically, and it was only hypothetical but we made a prediction that without the state of emergency about 160 plus people would have died in December compared to the 25 who actually died.

[Robinson] There is again the fact of verification. How can you be certain of that kind of statement?

[Neethling] No you can't. You can never be certain of that kind of statement. As I say, this is a prediction and based on all the material and all the information that we had, and I think everyone else had.

[Robinson] Dr van der Merwe?

[Van der Merwe] I could come in on that. On the one hand you have the trends, the scientific trends which were mathematically worked out as Dr Neethling did, and on the other hand one knows from policy statements, known policy statements, that have been released in South Africa that the ANC was moving towards a crescendo especially at the end of the year. In other words, it did not lack on their side on enthusiasm and determination to escalate the violence, and yet the tendency has been for decrease.

[Robinson] Could we just follow up on that: Would you say then on the basis of what you have told us tonight that the average man in a black township today is a peace-loving man, is happy, there is nothing wrong, is looking forward to the future, there is no trouble in his heart?

[Van der Merwe] Well, not as explicitly as you put it. One thing that I would want to say is that authoritative surveys that have been made show that the vast majority of people -- 80 percent plus of black people -- still believe in peaceful negotiation, still believe in peaceful evolution. But on the other hand there is a situation of violence, of intimidation of disruption in the black community which then makes the quality of life of these people... [changes thought] degenerates the quality of life of these people to such an extent that the community cannot function normally, especially those people that want to see peaceful negotiation, peaceful reforms, cannot afford to be seen to participate in that process because then the violence jumps in and they get necklaced, they get petrol bombed, all sorts of things like that.

[Robinson] I think the question that I have tried to ask -- perhaps you could also answer that -- is: Have the causes of the unrest been addressed by the state of emergency or not?

[Neethling] When I started, I said we were talking about physical unrest, unrest one can see. That is how I would like to illustrate it with an example: If you have a person picking up a stone and throwing that stone, that is visual, that is demonstrating, that is demonstrating some kind of feeling. Are we talking about why is he throwing the stone? Part of that is (?mysterious). Is it because he is motivated? Is it because he is intimidated? Now he is not throwing that stone and we have to ask ourselves why is he not throwing that stone. We are addressing that.

[Robinson] But, as I asked before...

[Neethling, interrupting] The visible is only part of it and you have to address it. That is the crux of the matter and we are part of the process. Since the beginning of last year, we have started investigations with private concerns, experts. As I said, we did a survey, a well [word indistinct] system in determining exactly how people feel. If you don't address that specific area, you won't get anywhere. That is the point.

[Robinson] Dr Van der Merwe?

[Van der Merwe] I would like to follow up on that: The whole process that we are trying to reach through the state of emergency has actually three facets. And the one is, first of all, to bring the temperature down by reducing the visual unrest that Dr Neethling has just spoken about. And then after you have done that, the society is still disrupted, it cannot function normally and in fact the factors that make it possible to intimidate and so forth are still there. So that is the second phase

which we have to face. We have to remove that and we have to give society the chance to reorganize itself, for instance for local government to start to function again properly, and only then can we actually start with positive progress toward reform. That would be the third stage. So the first stage, the reduction of violence, we have not achieved to a large extent, but if one would just lift the state of emergency for instance at this point then all the underlying factors, or most of them are still there and the violence would just flare up as before.

[Robinson] Could I just come back to that question then: Are you not going to address some of the concerns and the troubles in the hearts of blacks until such a time as complete peace has been achieved?

[Van der Merwe] No. You see we have the three facets that I mentioned and of course in the first stage the reduction of violence is primary. But on the other hand, you start immediately at the same time with bringing peace to the society and reconstruction and development, so that in the second phase, once the violence has subsided, then we can concentrate on the reconstruction part of it. And once the violence has subsided, then we can concentrate on the reconstruction part of it. And once the reconstruction has taken place, although you also implement reforms even in that stage, when you reach the third stage, where society has returned to normal, then you actually concentrate on the reform process. So the abating of violence, the reconstruction of society, and the reform are there in all three stages (?but in different mixtures).

[Robinson] Do you have a clear-cut idea of what are the underlying reasons why blacks during the unrest period have picked up stones?

[Van der Merwe] Yes, and that is part of the research work which Dr Neethling and his people do, in the sense that we find out what are the grievances of people. Because there are certain dysfunctions, certain things that are wrong in black societies.

[Robinson] Are you talking about socioeconomic things now or political?

[Van der Merwe] Basically, I think the primary cause is the socioeconomic dysfunctions that exist, the things that are wrong, the fact that there are not enough water taps for all the people, the fact that the streets are in a miserable condition, and so forth. Those then leave the space for politicization and because these other things are wrong people also get politically dissatisfied and then the stage is set for intimidators and so forth to use those things that are wrong with society in order to foment political violence.

[Robinson] When would you then say, Mr van der Merwe, can we expect the state of emergency to be lifted?

[Van der Merwe] I think it will be highly irresponsible of the government to lift the state of emergency immediately because the deaths and the unrest incidents have been reduced to a fairly low level, because it would flare up again. So, therefore, we have to act on this level of reconstruction

of the society so that reform can actually come down to the street level, to the grass-roots level, and people can actually experience the benefits of reform and at that stage one can lift the emergency and you can expect society then to continue in a state of normally, and not before the time unfortunately. Now I cannot give you any time frames. The only thing that I can say to you is that the government is continuously reassessing the necessity of the state of emergency, of individual parts, individual facets of the state of emergency to see when can it be lifted. And the conclusion at this point is that there has been some reconstruction first and we are working on that.

[Robinson] Thank you very much gentlemen unfortunately we don't have any more time. If you could just add something shortly, I saw that you wanted to...

[Neethling, interrupting] What I wanted to say is that analyzing the psychological climate is an ongoing process and we are part of that process because we believe as I said previously that is especially the part we have to reach at.

[Robinson] Thank you very much gentlemen for taking part in our program tonight. We haven't really touched on the facet of reconstruction. I don't think we have really defined that. Perhaps we can do that later. Thank you.

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CSO: 3400/951

DEPUTY FINANCE MINISTER NOTES COST OF REFORMS

MB031718 Johannesburg SAPA in English 1543 GMT 3 Feb 87

[Text] House of Assembly, 3 Feb (SAPA)--Natal would be "bankrupted overnight" if it had to meet the demands of the KwaNatal bill of rights for equality in education and health care, the deputy minister for economic affairs, Mr George Bartlett, said in the no confidence debate today.

He said there had been an attempt "behind the scenes" at the Indaba to quash the publication of the report of the body's economic committee.

The people of Natal had a right to know the economic consequences of the policies decided there.

What was required today was realism and not the wooly-mindedness of the PFP.

Mr Bartlett also said the public in South Africa in general and the right to know the tremendous cost of the recent reforms initiated by the government. The PFP and the media were all harping on the need for reform, he said, but had they worked out the cost?

Political forces determined to destroy "our" Western way of life were undermining the country's confidence to meet this cost, and the opposition, in an act of political expediency, was supporting them. How often had the PFP spokesman on finance, Mr Harry Schwarz, looked at the real causes of inflation?

Among them were low productivity in the private sector.

"This is not because of the government. Could it be because of wrong priorities set by the private sector?" In some cases it was due to "just sheer bad management".

Trade unions had also contributed to inflation with demands for minimum wages, a practice which even American unions said was bad; refusal to allow incentive bonus schemes even though they led to increased productivity; and excessive demands in the social field.

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CSO: 3400/951

SOUTH AFRICA

EDUCATION MINISTER DEFENDS NP COMMITMENT TO REFORM

MB051830 Johannesburg SAPA in English 1822 GMT 5 Feb 87

[Text] House of Assembly, Feb 5, SAPA--The National Party was irrevocably committed to reform and the election was an essential part of the party's reform programme, the minister of national education, Mr F.W. de Klerk, said today. Speaking during the no confidence debate, he said statements from opposition speakers that reform was dead or that the NP had lost its zeal for reform were "devoid of all truth."

"The NP has a calling to continue on its road of balanced and orderly reform. We will be asking the voters on May 6 not only for a mandate on security measures but also a mandate to continue with reform. The solution lies in new plans and thoughts on the basis of a realisation of the realities of South Africa."

Mr De Klerk said the government realised the political dispensation of South Africa had to undergo a marked change. The NP was continuously busy carrying out reforms already agreed on, making plans for new reforms and holding discussions with other leaders on changes.

Referring to the tempo of reform, he said the NP would also like it to be quicker but there were certain "stumbling blocks". These included foreign interference, "faulty (gebrekkige) cooperation," and the reluctance of some black leaders to come forward and negotiate.

The opposition was also a "stumbling block" because they "twisted the facts" on NP policies and actions, he said. Opposition statements that the NP had no plan for a new South Africa were "intellectually dishonest." "The NP has a fixed ground plan, with short and long-term goals. We have spelled out our goals much more clearly than the opposition."

The NP wanted to retain certain elements of the existing system, including protection of group identity, self-determination of groups, own political and administrative structures, existing houses of parliament and the KwaZulu homeland legislature.

In addition, his government wanted to create for blacks outside the homelands political structures in which they could exercise self-determination in making decisions on matters that affected them alone. "We want to create fully autonomous and even independent bodies for black metropolitan areas outside the national states."

Finally, the government hoped to establish new structures for negotiation on the basis of consensus on affairs that affected all race groups. "With the National Statutory Council as a starting point, we can create joint national councilsl (staatsrade) in which the leaders of all ethnic groups can take part," he said. "How can anyone allege that this is not a definite framework for reform? The fact that we have no blueprint for reform is not evidence that we have no policy." Details of the NP's reform plans would be worked out by negotiation.

Mr De Klerk said the plans for the political future of South Africa proposed by the PFP and the CP would not work. The PFP wanted to destroy minority group protection and separate communities and this would lead to a "devastating power struggle," he said. In turn, the CP's "refusal" to negotiate on any aspect of the future would also lead to chaos. "The NP's plan forms a workable and equitable balance between the need for the protection of a group rights and the sharing of power. There is no alternative," he said.

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CSO: 3400/999

EDUCATION MINISTER ASKS PATIENCE WITH NP REFORMS

MB052054 Johannesburg SAPA in English 2051 GMT 5 Feb 87

[Text] House of Assembly Feb 5 SAPA--The National Party was not interested in reform if it would lead to the realisation of the "absurd dogma" of a non-racial society, the minister of education and development aid, Dr Gerrit Viljoen, said today. Sepaking during the no confidence debate, he said those who accused the NP of being tardy on reform had never shared the party's view of the nature of change and were in favour of a one-man-one-vote system of government. They supported the "absurd dogma of a non-racial society," which was a "totally false" ideal.

"If this is what is meant by an increase in the tempo of reform, then it is totally unacceptable to the NP and we are not interested in an increase in tempo or in such reform at all." The tempo of reform demanded of the NP was much faster than that which had been achieved by countries that had meaningful democratic systems.

Critics of the pace of reform were unreasonable judges of the significant changes that had already taken place, he said. "There is certainly not a year in our history in which more meaningful reform measures were introduced than last year," Examples included amendments to the pass laws and black citizenship rights.

Critics had to realise that reform was one of the most difficult tasks facing a government and could not simply be "steamrollered" through in an autocratic fasion. This could create insecurity. Reform depended on available finances, the maintenance of law and order, the building up of mutual trust and on time-consuming discussions.

He appealed to critics of the government's reform programme not to undermine it by setting unrealistic demands.

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CSO: 3400/999

'NEW NATS' MAY BREAK AWAY FROM NP AFTER ELECTION

MB010944 Johannesburg THE SUNDAY STAR in English 1 Feb 87 p 1

[Text] A witch-hunt has begun in the National Party to root out enlightened "New Nat" dissidents before the May 6 General Election -- and Nat politicians even suspect their telephones may be bugged.

Nat offices in Parliament and the President's Council were riddled with fear this week when parliament was opened.

And among the men who have evoked deep suspicion in Nat ranks of a New Nat defection plot are MP Mr Wynand Malan who has already quit the party; MP for Innesdal Mr Albert Nothnagel who has called for dramatic change in South Africa; and Dr Denis Worrall, the country's ambassador to London who resigned this week.

One London columnist reported that Dr Worrall has told friends more than once that one of South Africa's problems is that its leader has lost both his vision of reform and his taste for pressing it further and that a new man is needed at the helm.

There is great anxiety among the Nat leadership that the "New Nats" are biding their time until after the election before they make their move, according to a wide range of parliamentary sources.

This would emulate the tactics of the verkrampte [ultraconservative] Nats under Dr Andries Treurnicht, who waited until after the 1981 General Election before they broke away to form the Conservative Party in 1982.

This tactic ensures that the breakaway group is well-represented in Parliament before the split rather than resigning before they can be elected under the Nat banner.

The cracks on the Left flank of the NP are a direct result of the Government's swing to the Right over the past year or two with its State of Emergency, stalling of reform and failure to negotiate with any viable black leaders.

The knives are out as the Nat hierarchy scrutinize their MPS and other public representatives for any who might be sympathetic to Mr Wynand Malan, the MP for Randburg, who resigned from the NP and is standing as an independent.

Already the NAT leadership has pounced on other dissidents, even Dr Piet Koornhof, who was dumped as chairman of the President's Council because of his opposition to the Group Areas Act.

MP NOTHNAGEL REAFFIRMS NP POLICY

MB020626 Johannesburg Domestic Service in English 0500 GMT 2 Feb 87

[Text] The dispute between the NP in the Transvaal and the MP for Innesdal, Mr Albert Nothnagel, has ended with Mr Nothnagel reaffirming his adherence to NP policy. The leader of the NP in the Transvaal, Mr F.W. de Klerk, with Mr Nothnagel's permission, has released a letter which Mr Nothnagel wrote to the party leadership. The letter comes in the wake of certain assertions Mr Nothnagel had made in an article in the magazine INSIDE SOUTH AFRICA, regarding talks with the ANC and the constitutional future of the blacks. These assertions were viewed in political circles as being counter to NP policy.

Mr Nothnagel met Mr de Klerk, Mr Pik Botha, Mr Gerrit Viljoen, and General Magnus Malan last week to discuss the assertions. Mr Northnagel said in the letter that he understood the dissatisfaction of the party leadership with certain assertions in the article. He said his aim had not been to undermine the party leadership and not to oppose NP policy. Mr Nothnagel said that with hindsight it was clear to him that certain of the assertions amounted to sharp criticism of government policy, if they were left unqualified. As a result, he had made certain corrections.

He accepted that the release of the leader of the ANC, Nelson Mandela, and other so-called political prisoners could not be considered before they foreswore violence. He also accepted the government's constitutional guidelines with regard to black participation in government bodies as laid down during the NP's federal congress last year. Mr Nothnagel said he fully supported the NP leaders and the policy and principles of the party. He said he remained convinced that the NP was the only party through which a solution to the country's problems could be attained.

Our political staff reports that Mr Nothnagel's letter to the NP leadership can be seen as an unconditional apology to the party for his assertions in the article.

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CSO: 3400/951

SOUTH AFRICA

POLICE DENY CCAWUSA INTIMIDATION CLAIMS

MB051054 Johannesburg SAPA in English 1047 GMT 5 Feb 87

[Text] Pretoria, 5 Feb--Police today responded to union allegations that security forces were cooperating with management to harass strikers at OK Bazaars, saying police did not intimidate people or organizations.

"We would like to stress that the SA Police do not harass and intimidate persons or organizations," the police public relations division, Pretoria, said.

"If any police action is taken, it is because there is good reason to do so, not because of anyone's affiliation to an organization or union.

"If, however, anyone is of the opinion that the SA police have acted incorrectly at any time, an affidavit can be submitted for investigation."

The Commercial Catering and Allied Workers Union [CCAWUSA] alleged there was "widespread intimidation of strikers by police and the SADR."

The union said security police visited CCAWUSA offices in Cape Town, Port Elizabeth, Port Shepstone, Durban, Empangeni, Pietermaritzburg, Johannesburg, Pretoria, Pietersburg and Vareniging, since the strike began 50 days ago.

Eleven thousand CCAWUSA members at 137 OK outlets are on strike, the union said.

CCAWUSA alleged police last week burst into a general meeting of OK workers in Port Elizabeth and told them they were not allowed to picket.

On Saturday, the offices of CCAWUSA in Johannesburg were raided.

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CSO: 3400/951

HEUNIS EXAMINES STANCE ON KWANATAL INDABA

MB052031 Johannesburg Television Service in English 1830 GMT 5 Feb 87

[Interview with Chris Heunis, minister of constitutional development and planning, by Andre le Roux, in Cape Town, on the "Network" program date not given -- recorded]

[Text] [Le Roux] Mr Heunis, you are in favor of negotiations? -- A short yes will suffice.

[Heunis] I am not only in favor, I am committed to it.

[Le Roux] Mr Heunis, the Indaba was an exercise in negotiation. Natalians got together, they decided they had a problem, they decided that they would negotiate a solution to it. They did that, and they came up with a document as a product of negotiation. Yet, you have come up with something to link a qualified rejection of those proposals. Why?

[Heunis] Well, the answer is two-fold. First, your statement that I have come with a rejection is not correct or true.

[Le Roux] Qualified.

[Heunis] Second, let me say this, the other statement is also incorrect because it implies that all Natalians had come together, and that what had been proposed at the Indaba in fact represented the opinion of all Natalians. That is obviously not correct either. I have taken a stand on the process of negotiations. I have also taken a stand on behalf of the government on the concept of Indaba. I approve of the concept and the process. But you must understand that the initiative that had been taken to establish the Indaba had come from two authorities -- the KwaZulu government and the Natal Provincial Council and executive. The proposals therefore of the Indaba had to be submitted to those authorities for their own consideration and for their own positioning on the proposals.

The chief minister of KwaZulu had in fact expressed a wish that the proposals of the Indaba should not be drawn into white politics before they had an opportunity of assessing these proposals. Chief Minister Buthelezi had informed me that he had formed a subcommittee of Inkatha

to make such an assessment, so that the proposals with their assessment could be considered by the Legislative Council of KwaZulu and also by the general meeting of Natal-Inkatha, which has not taken place yet. The administrator of Natal had not taken a stand on these proposals. The chief minister requested further that even the leaders of Inkatha should not in fact discuss these proposals or take a stand on them before finalizing their assessment. He had also said that they would want the opportunity to discuss the proposals and implications with leaders of other political groupings, like coloreds and Indians.

And therefore I suggest that it would be premature for the government to have taken a stand before these assessments had been made. What had in fact happened is, other political parties had abused both the concept of the Indaba and also the proposals for their own opportunistic political ends. If you just bear in mind that the PFP and the Natal New Republic Party had in fact formed an alliance for the election on the basis of the Indaba and the proposals arrived at the Indaba, you will understand why I take the strongest exception that something that had great promise had been abused to this extent.

[Le Roux] Sir, we will come back to all the points you made just now. But the first one is, are you claiming that it was not representative of Natal, the composition of it?

[Heunis] Well, I have said that an assessment would have to be made to whether it does in fact represent all the peoples of Natal. Now, let me give you one example. The NP obtained more than 32 percent, if my memory serves me correctly, of the vote in the last election. They have not subscribed to those proposals. The Municipal Association of Natal had changed their status at the Indaba because they take the position that they had not canvassed the opinion of their constituent members. The Agricultural Union of Natal had also changed their status in the process of the Indaba, because again they had no mechanism to test the opinion of the people they represent. And therefore all I had said in considering these proposals, one would have to make an assessment also as to the representativeness of the Indaba itself.

[Le Roux] Mr Heunis, your claim or your accusation that parties -- and I think you are referring to the PFP and the NRP, if I am not mistaken...

[Heunis, interrupting] I am, yes.

[Le Roux]...have misrepresented the Indaba and misused it. Can you enlarge on that?

[Heunis] Yes. It is obvious that the PFP took the lead. In fact I believe they hijacked the Indaba, to get premature decision taken at the Indaba, not allowing the representatives there to go on with the discussions to form a larger basis for consensus. Therefore you will recall that the decision that had been taken last year, the first one, had been signed by

the representatives in their personal capacities. Second, you will recall that, as regards the question of the Indaba's proposals, they had not been canvassed at that stage by the people that gave them the mandate. Therefore, I suggest it was premature and irresponsible to use the Indaba and its proposals as an alliance subject for white elections, notwithstanding the fact that other people had requested them to do otherwise.

[Le Roux] Mr Heunis, politics, you must give it to me, that it is the game of hijacking and being opportunistic, but the NP they were participants, but they reserved participation as observers. Wasn't that already a point, a political point as to what your reaction was going to be?

[Heunis] No, the answer to that is no, because one thing the Indaba proved, I believe, is that the final act in any proposals are the government and the political parties no matter what people negotiate in the final analysis it would have to be assessed by Government and other political parties and groupings. The Natal NP, in fact, did not participate for any ulterior motive. The fact is they are part of the government party and the government will eventually have to express an opinion on those proposals. The NP has not expressed its deep concern that the Indaba was in fact forced to take premature decisions.

[Le Roux] He was quick off the mark to reject that, Sir.

[Heunis] But naturally he had to do it. Once other political parties have taken their stand he had no option, and I fully subscribe to his sentiments.

[Le Roux] Wasn't that electioneering to a certain point?

[Heunis] No, I don't think so, let us assess what you say now. I was forced to react. I explained my position to the chief minister personally. I explained to him that I was prepared to withhold judgment on his proposals until I have had the opportunity to study his government's view and the view of the Natal executive. I was not given that opportunity.

In contrast to his request, an alliance was formed, and this has become a major issue in the Natal election, quite obviously under these circumstances the government had to take a stand, and the government did not reject the concept of the Indaba. Government had, in fact, applauded that concept. Not only did it applaud it, the first proposals emanating from agreement between the KwaZulu government and Natal executive to establish a joint executive authority for Natal, had been accepted by government. A bill was passed by parliament. A request by those authorities to establish that authority is now being processed for approval by the government itself. So there is no doubt whatsoever that the government applauds the concepts of negotiation, but I said, and I would like to repeat that, having been forced into a position to prematurely take a stand on the proposals, the proposals would have to be assessed against certain criteria.

[Le Roux] Why don't you let the people of Natal assess it by means of the referendum they desire?

[Heunis] I believe that is not sufficient for the people of Natal to assess. Let me explain that.

[Le Roux] There is a document on the table, sir.

[Heunis] That is a document that comes but one will have to assess how representative that is. One has to assess as to whether the people signed the mandate from the people on whose behalf they pretend to have signed. One would have to assess as to whether...

[Le Roux, interrupting] Are you suggesting fraud?

[Heunis] No, I am not suggesting fraud. I am suggesting that there was at that stage when it was signed not all the evidence that the people, in fact, had the mandate to sign the agreement. I have given you examples. I have given you the example of the Municipal Association that had changed their status because they did not have the mechanism to test. Second, I have also given the example of the agricultural Union of Natal. There again because they didn't have the mechanism to check, in fact, the opinion of their mandate-givers.

What I am suggesting, one of the defects was in fact the problem with the mechanisms to assess the mandate that the representatives had. And I am not, by saying this, saying they had no one. I say it must be assessed.

But can I take it further? Any reform constitution has major financial implications. Quite obviously if these proposals are to be accepted the financial implications would have to be assessed. It had not been done. What had happened is that the economic committee of the Indaba have, in fact, stated that they have not assessed the implications, but they have further stated that Natal has not got the financial capabilities or capacities to implement these proposals, and therefore if they are to be implemented it would require major subsidization from central government, and even this fact itself brings into question the autonomy for the establishment of those authorities. What had not been assessed either or canvassed or addressed is what is the position of the established authority in Natal in terms of the proposals.

We have in the central government, and there again it cannot be discussed or addressed in isolation, it has implications also for the other races in the country, and therefore I had said that the proposals must be considered and discussed by government in the light of the position of KwaZulu government and the Natal executive and the other issues that have not been canvassed, and that does not imply the rejection of the concept of the Indaba; neither does it mean that we are not prepared to negotiate.

[Le Roux] Sir, are you saying that political abuse of the Indaba has soured the proposals to the extent that it is in jeopardy?

[Heunis] Quite obviously it jeopardized the concept of the Indaba and the proposals, but that does not preclude the government or myself or anybody else to take it further, and my own position on this is I had said that after the establishment of the joint executive authority between the two regions I would take up the further constitutional development of that region as I would with the other regions with the authorities and with political opinion in parliament.

[Le Roux] Would you negotiate on the basis of the Idaba document?

[Heunis] On the basis on the document, but I would have to negotiate against the background of the criteria on what the government's assessment of possibilities are and also the canvassing of the issues that had been not addressed fully or at all.

[Le Roux] Mr Heunis, the Buthelezi commission report is gathering dust on some shelf. As far as you are concerned where are these proposals?

[Heunis] I have answered that question, but I would like to restate my position. I say it is in fact a terrible thing that the Indaba had not been given the chance to go its full way. I say -- and I say that in all sincerity -- by abusing the situation for political reasons much damage had been done to a promising concept, but having said this I must explain in all fairness that you are not in a position to finally assess the proposals, unless the main actors had given you their views.

[Le Roux] Lastly and finally, does the Indaba and its document still maintain a certain status in your mind?

[Heunis] Of course it does, but the status is going to be determined firstly by the stand that has been taken by the other authorities on it, and secondly it is going to be determined as to whether the criteria that we have set can, in fact, be measured in terms of those proposals. We must understand it is not simple enough to say the Indaba proposals contain minority protection. That is important, but there is another issue. Does it also represent equal participation? Does it give the participants the right and the power to in fact not only influence but take a firm stand on any proposals in those authorities, [as heard] and I suggest that a careful study of the proposals would clearly indicate that it does not represent equal representation of the parties.

[Le Roux] Mr Heunis, goodnight.

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CSO: 3400/951

HEUNIS DISMISSES REPORT OF DIFFERENCES WITH WORRALL

MB301424 Johannesburg SAPA in English 1348 GMT 30 Jan 87

[Text] Cape Town, 30 Jan (SAPA)--South Africa's ambassador to London, Dr Denis Worrall, discussed standing for the National Party in the forthcoming general election with the minister of constitutional development and planning, Mr Chris Heunis, earlier this month.

Mr Heunis, who is also the Cape leader of the National Party, said in a statement today that it was "grossly unfair" of Dr Denis Worrall to speculate about him standing for the PFP or as an independent. "The facts are that I had a personal interview with Dr Worrall on the 19th of this month. The purpose of this meeting was to discuss with him the possibility of allocating to him a constituency in the Cape in which he could represent the National Party in the election."

Mr Heunis said it had been falsely alleged in a news report that there had been a clash between himself and Dr Worrall concerning the government's reform initiatives. "This was supposed to have taken place when the ambassador was still chairman of the previous President's Council's constitutional committee. This allegation is devoid of all truth and at no stage did the reporter attempt to verify the correctness of the allegation with me or my office." Mr Heunis said that given all the facts, the report had done Dr Worrall a grave injustice and portrayed him as a "carpetbagger seeking political advancement in a political environment with which he is totally unconnected."

Dr Worrall's resignation as South Africa's ambassador to the Court of St James was announced by the minister of foreign affairs, Mr Pik Botha, in Cape Town today.

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CSO: 3400/951

PROVINCES RECEIVE PARTIAL OPERATING FUNDS

MB091410 Johannesburg SAPA in English 1334 GMT 9 Feb 87

[Text] Parliament February 9 SAPA--The R29.10 billion part appropriation bill was historic in that it was the first time funds for the four provinces had to be voted by means of an act of parliament, the minister of finance, Mr Barend du Plessis, said today.

Moving the second reading of the bill, he said that from April 1 this year the provinces would be subject to the provisions of the Treasury and Audit Act. This meant that funds would have to be voted for each of the four to put them in a position to carry on with their activities.

Mr Du Plessis said that the main budget was usually introduced in the middle of July each year. As a result of the coming general election for the House of Assembly, provision had to be made that the budget act for the 1987/88 book year be promulgated only at the end of 1987.

"Departments must, however, be put in a position in the meanwhile to meet their financial commitments on services that have already been approved over the period from the beginning of the new book year on April 1 to the date of promulgation of the budget act. "This spending must be usual, therefore, now be authorised by a part appropriation.

The amount of \$29.10 billion would, according to estimates, be enough to cover expenditure until as late as the end of November. It was made up of R17.88 billion for departments for general affairs, R6.12 billion for own affairs administrations, R2.10 billion for the Transvaal provincial administration, R0.80 billion for Natal, R0.60 billion for the OFS [Orange Free State] and R1.60 billion for the Cape.

Proposed legislation on the formulas by which the own affairs administrations would in future be funded was already with the state law advisers, but would only be piloted through parliament at a later stage. Parliament would, therefore, have to vote funds for the administrations in terms of the constitution.

As far as central government, including the own affairs administrations, was concerned, the amount of R24 billion which was now being put before parliament

for approval was R13.9 billion Appropriation Act of 1986. This year's part appropriation, however, covered a much longer period than last year's, and it was obvious that on the basis of these figures no comparisons could be made. Nor could any deductions be made in terms of the possible size of the various amounts of the main budget.

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CSO: 3400/999

BRIEFS

SADF REACTION ON TROOP BUILDUP ACCUSATION--The SADF says Angolan accusations of a South African troop buildup in southern Angola are a typical Angolan reaction to the fact Angola had been caught redhanded supporting SWAPO terrorists. Angola made the accusations in a letter to the president of the United Nations Security Council. An SADF spokesman in Pretoria said events in the vicinity of Cunene River last weekend, where Angolan forces actively involved themselves in the followup operation against SWAPO terrorists, was further evidence of support for SWAPO. The spokesman said South Africa had no quarrel with Angola and actively wished to live in peace with that country. The spokesman said that in spite of repeated and numerous warnings not to support SWAPO terrorists, Angola persisted in allowing and inactively helping SWAPO to launch attacks on the people of South-west Africa/Namibia from Angolan territory. The defense force reserves the right, he said, to seek out and destroy these terrorists wherever they may be. [Text] [Johannesburg International Service in English 0630 GMT 30 Jan 87 MB] /6662

PRESIDENT'S COUNCIL APPOINTEES NAMED--The state president, Mr P.W. Botha, has announced two new appointments to the President's Council. They are Mr (Eben Kaler) of the Transvaal and Mrs (Magdalene Kemp) of the Cape; who will replace Dr Piet Koornhof, who is the new South African ambassador to United States and Mr (Jan Pekar), who is retiring. The new appointments take effect on 1 March. [Text] [Johannesburg Domestic Service in English 0500 GMT 6 Feb 87 MB] /6662

PIK CRITICAL OF U.S. SANCTIONS REPORT--Pik Botha has lashed out at the United States for making renewed efforts to help solve the South African crisis. The foreign minister has responded to a report tabled in Washington by President's Reagan's advisors of U.S. policy toward South Africa. Mr Botha claims the information contained in the document is either wrong, misinterpreted, or distorted. The advisory committee has urged Washington and its allies to place further restrictions on trade with South Africa if apartheid isn't dismantled and political prisoners released. There has been speculation that one of the measures which could be adopted would be a ban on the imports of South African gold. [Text] [Umtata Capital Radio in English 1300 GMT 11 Feb 87 MB] /6662

MINISTERIAL REPRESENTATIVES BILL DEBATED--A bill which makes provision for the appointment of ministerial representatives outside the parliamentary system has been debated in the House of Assembly. The minister of constitutional development and planning, Mr Chris Heunis, said during his second reading speech at a joint session of parliament, that the constitution amendment bill made provision for a minister to entrust a representative with certain of his powers, activities, or duties--but the responsibility would still rest with the minister. The appointments would be made by the state president in terms of the powers granted to him under the constitution. The PFP spokesman on constitutional affairs, Mr Nick Olivier, rejected the constitution amendment bill saying it would give the state president wide discretionary powers and could lead a political favoritism. He said that in the current circumstances, the appointment of an undetermined number of representatives could not be allowed. The CP expressed the strongest possible objection to the bill by proposing an amendment that it be read this day 6 months. [sentence as heard] [Excerpts] [Johannesburg Domestic Service in English 0500 GMT 12 Feb 87 MB] /6662

MINISTER: DEMAND FOR ANC BOOKLET--House of Assembly February 10 SAPA--The Bureau for Information had printed an extra 100,000 copies of the booklet "Talking With the ANC" to meet the "overwhelming" local and overseas demand for the publication, the deputy minister of information, Dr Stoffel van der Merwe, said today. Replying to a question from Mr Peter Soal (PFP Johannesburg North) he said that in the second edition one photograph was replaced and "some linguistic and technical improvements were effected." [Text] [Johannesburg SAPA in English 1804 GMT 10 Feb 87 MB] /6662

OPPOSITION LEADER'S SON IN NP ELECTION--The son of former opposition leader, Sir de Villiers Graaff, is to stand for the NP in the election. David Graaff will stand against the PFP in the Wynberg constituency. Patrick Cull reports: [Cull] The announcement of Mr Graaff's candidacy in the Wynberg constituency, currently held by the PFP, has come as a shock to opposition politicians. His father, Sir de Villiers Graaff, was a member of the opposition for 29 years, 20 of them as leader; and it was generally assumed that if his son entered politics, it would be on the side of the opposition. The Cape leader of the NP, Mr Chris Heunis, also announced that a former rector of the University of Port Elizabeth, Professor S.J. Schoeman, would fight the Port Elizabeth seat of Walmer, which is also held by the PFP. An announcement on two other seats--Port Elizabeth Central and Groote Schuur, the only seats in the Cape for which the NP has not nominated candidates--will be made shortly, he said. [Text] [Umtata Capital Radio in English 0700 GMT 8 Feb 87 MB] /6662

NEW VENDA CHIEF JUSTICE--The Department of Justice has announced in Cape Town that Justice D.J.H. le Roux has been seconded by the state president to Venda, where he will act as chief justice. Justice Le Roux comes from the Transvaal division of the Supreme Court. [Text] [Johannesburg Domestic Service in Afrikaans 1400 GMT 2 Feb 87 MB] /12624

JOINT COMMITTEE PARLIAMENTARY REVISIONS--The government is to appoint a joint committee of all three houses of parliament to investigate and report on the amendment to the constitution of the Republic of South Africa. This was announced by the minister of constitutional development and planning, Mr Chris Heunis. He said the investigation would include the allocation, norms of allocation, and the number of members of each house in the respective provinces. He said attention would also be paid to the division of each province into constituencies, and permission would be granted to the select committee to table legislation in this regard. [Text] [Johannesburg Domestic Service in English 1400 GMT 30 Jan 87 MB] /12624

INCREASED ALLOWANCE FOR PRETORIA'S MAYOR--Pretoria's mayor and deputy mayor will get increased allowances totalling R112,500 a year from the beginning of the next mayoral year. The mayor will receive an allowance for general purposes of R75,000 and a personal allowance of R25,000. The deputy mayor will receive a personal allowance of R12,500. The council was told that this was 36 percent more than the allowances of R82,688 paid to the present mayor and deputy mayor during their term of office. Although Herstigte Nasionale Party councillor Mr Joseph Chiole described the increases as "unjustifiable" in times when many were in great need, a former mayor, Dr Pieter Kruger, said mayors sometimes had to pay costs out of their own pockets. The council was also told there were indications that the mayor's and deputy mayor's personal allowances, or a large part of them, were taxable from March 1, 1986. [Text] [Johannesburg THE STAR in English 29 Jan 87 p 2M] /9274

DU PLESSIS ON ECONOMIC DIFFICULTIES--The minister of finance, Mr Barend du Plessis, has cautioned the opposition parties not to adopt a simplistic approach to inflation. Speaking during the no-confidence debate, Mr Du Plessis said the opposition pretended that inflation could be wiped out easily. He expected that the opposition parties will exploit inflation in the election. Mr Du Plessis noted that his department was conducting a three-pronged investigation into inflation in consultation with the best available advisors. Mr Du Plessis said it would be dishonest to say that everything was well with the South African economy. He pointed out, however, the international political and economic trends had had an unavoidable negative effect on the economic growth during the past 2 decades. He said South Africa was on the eve of a new dispensation in its income and expenditure policy. [Text] [Johannesburg Domestic Service in English 1600 GMT 2 Feb 87 MB] /12624

CSO: 3400/951

SOUTH AFRICA

TUTU REITERATES CONDITIONS FOR NEGOTIATED CHANGE

MB131822 Johannesburg SAPA in English 1800 GMT 13 Feb 87

[Text] Cape Town Feb 13 SAPA--South Africa's newest constitution invokes the name of God to sanctify a vicious, evil and totally immoral and utterly un-Christian system, Cape Town's Anglican archbishop said tonight. Delivering an address at the graduation ceremony of the University of the Western Cape, Archbishop Tutu asked how anyone could seriously claim that South Africa was democratic, "even remotely democratic, when its newest constitution--1984 model you know--16 years from the end of the 20th century, can exclude 73 per cent of the population just like that. Blacks are mentioned in only one sentence."

Archbishop Tutu said that if Jesus came to South Africa today, he would get into trouble with the authorities because of his solidarity with the poor, the oppressed, the hungry and he would almost certainly be detained. "I am sure that many whites would say he deserved it, there is no smoke without fire."

He said detention without trial was a subverting of justice, counter to the aims of the rule of law. "It is to punish someone and to punish him severely without having the inconvenience of providing his guilt in an open court. It is a very handy device greatly beloved of totalitarian repressive governments."

"We are told there are certain people who are called censors. They tell us what books we can read, what films we may or may not see, because, so it is argued, certain of the books and films they prohibit would subvert our morals and [word indistinct] us to hate apartheid. If that is true after all these awful books and films can you imagine what the state of the censors morals must be? Hardly anybody questions the right of these people to judge what can be harmful to me."

Referrring to the Chris Ball/P.W. Botha affair, the archbishop asked why radicals should suddenly have credibility. (In parliament, the state president said that in radical circles it was said banker Mr Ball paid for adverts earlier this year calling for the unbanning of the ANC). "No one seems to have asked since the state president has said all those things about so-called radicals, that they are really untrustworthy, why is it possible for him to

believe them when they tell him about who has paid for a certain advertisement?" He added: "Why must they suddenly be credible in this matter when he claimed that they are not on other grounds? In any case why should it matter what a client does with his money? In a few years time those people who are wanting to change banks will say I wish that I had paid for that and other advertisements. It will be a point of honour. Why don't whites say to their government: Allow us to judge for ourselves who the ANC are--why do you give only selective quotations?"

He added: "My friends, we want a negotiated settlement in our land. We are going to be free whatever anyone tells you. There is no way in which a small minority can go on ruling this country alone. They know that. They ought to be preparing people for that inevitable fact, and not dress down senior cabinet ministers who speak about the obvious, that we shall have a black president in this country. We want a free, nonracial, democratic and just South Africa where all of us, black and white, will live amicably together."

The archbishop said "absolute minimum preconditions" for creating a climate favourable to negotiation were:

"The state of emergency must be lifted. It solves nothing. Under its cover all kinds of horrible things happen. White South Africans seem to like being kept in a cocoon of ignorance through severe press censorship. What the eyes don't see, the heart does not grieve over. They will be awakened rudely, I'm afraid, when their pathetic whimper will be we didn't know, like the Germans when the Nazi atrocities were revealed. White South Africans won't have that as an excuse. Many of us have tried to open their eyes, tried to touch their hearts, and we have been and are vilified for our pains. Remove the troops from our townships...release detainees...unban political organisations... for goodness sake, let the people decide--they are not quite stupid you know. And then sit down and talk with those whom the people regard as their leaders--as their representatives--not those whom the government finds congenial for they almost always have no constituency to deliver.

"If that happens then we have a glorious future ahead of us. If it does not happen then Armageddon will be upon us, something that can be averted, that need not happen. But of one thing I am certain--freedom is coming," Archbishop Tutu said.

/6662

CSO: 3400/42

SOUTH AFRICA

BUTHELEZI VIEWS ELECTION SIGNIFICANCE

MB151850 Johannesburg THE SUNDAY STAR in English 15 Feb 87 pp 1, 2

["Mandate To Prolong Pain" by Chief Mangosuthu Buthelezi--in the "Review" section]

[Text] Some black South African opinion has summed up the coming whites-only general election as "irrelevant." I do not regard the fact that we have had a minority racist government in power for nearly 40 years as irrelevant.

They will be returned to govern yet again, and that is not irrelevant because we will all face the consequences of their present inability to face reality collectively. That reality is that people are dying because of the way they are running the country.

This election may achieve a reshuffle of white political forces to some extent, but it will not alter the shape of white politics, and at the end of it all President Botha will be exactly where he was before he called the election--and he will only have bought for himself a few more years of his (and our) political agony.

When I look at this election I ask myself how many white South Africans kid themselves that we are living in a democracy. I ask myself how long it will be before the majority of those who will bother to vote (a right they take for granted, and yet is denied to so many) will accept that power-sharing is the only hope for us all? I ask myself whether May 6 will be a ballot resulting in more bloodshed, more despair and more bungling.

While I have no doubt that the majority of black South Africans are committed to peaceful change and negotiation, nobody can prophesy the extent to which their patience and forbearance will (given the present foment) last.

The situation in our townships is deteriorating rapidly. The true meaning of fear, intimidation, terror, poverty and hunger is a common experience. Already there are blacks who have been so brutalised by apartheid that they have already opted for violence and are prepared to die, now, for the creation of a new order.

Whether there will be a white swing to the so-called Right or a white swing to the so-called Left in this election will keep the political analysts and commentators busy for a while but will serve only to, yet again, emphasise that National Party rule has polarised and deeply divided not only black but white South Africa.

This election follows the establishment of the tricameral Parliament--yet another political stab in black South Africa's back. And now, contrary to claims by President Botha that "apartheid is outdated", there has not been the slightest indication that the National Party has any intention whatsoever of ditching this hideous political ideology.

We all know what the President's reaction was to his Foreign Minister daring to comment that one day South Africa could well have a black President.

It will only be when blacks participate with their fellow South Africans in the same constituencies that apartheid will truly be outdated.

Nearly 40 years of government by this group has led us to a situation where all South Africans live under a State of Emergency; we are being increasingly isolated by the Western world; sanctions are a reality; inflation is rampant; businesses are collapsing; millions are unemployed; and national unity is only a dream.

Many of our best and our brightest have given up hope of ever having a secure future in South Africa and are emigrating in droves. While the ignorant sneer "good riddance", this is, of course, a national tragedy.

In writing this article on how I see the election, I have yet again looked back into history and the fact that South Africa has, since the Act of Union in 1909, seen more than 70 years of white endeavour in running this country.

Successive governments have participated in one debacle after the other, and now South Africa is seen by decent men and women all over the world as a pariah state.

And what this means is that all the accumulated wisdom of white South Africa, decade after decade, has been inadequate to author a safe, secure and prosperous future for our country and its people.

What faith, then, should blacks (and whites) have in whites-only decision-making?

I do not believe that President Botha has any intention of going to the electorate with a bold plan to establish a true democracy here. He is going into the election to buy additional time, hoping somehow that the extra time will make it possible for him to secure political dreams.

And Mr Botha's dreams are the wrong political dreams. There can be no racist political dreams in South Africa. There can be no sectarian political dreams in South Africa.

President Botha may have some hope of achieving real things if he enters the election as a South African first and an Afrikaner second. And this is not likely to happen because he can't distinguish between the two.

His policies, his government, and his approach to reform are designed first and primarily to secure Afrikaner dreams, which are not South African dreams because this is a multiracial country.

The statements I make about white decision-making being quite incapable of solving our country's problems have nothing to do with racism. It is not the whiteness which is the relevant factor. When I write about white decisionmaking processes being incapable of authoring a decent future, I condemn not whites but the lack of democracy.

Black decision-making without democracy will prove just as ineffective as white decision-making has proved to be.

It is democracy we need, and the gravest stumbling block we face in South Africa is white persistence in attempting to author democracy as though whites can rediscover it in Africa, and as though democracy discovered in the Western industrial civilised world is inapplicable to South Africa.

White South Africans applaud democracy in the West and they deplore communism and socialism--but they refuse to emulate at home that which they applaud abroad.

What they do admire in democracy will remain as no more than lip-service until what they say is translated into action.

What can President Botha promise South Africa and the world during one election? We must wait and see, but right now it would appear to me that the script is already written.

He is committed to retaining the Group Areas Act. He is committed to retaining the Population Registration Act. He is committed to retaining the tricameral parliamentary system, and he is, in fact, committed to attempting to try to make the National Council work without full black participation.

And all this spells disaster.

/6662

CSO: 3400/42

SOUTH AFRICA

PEOPLE URGED TO TURN GUNS ON 'MASTERS'

EA051118 Dar es Salaam Radio Freedom in English to South Africa 1815 GMT
4 Feb 87

[Unattributed commentary]

[Excerpts] The [word indistinct] is in the open. For almost 2 years now, the fascist regime of Pretoria has been thinking that it has succeeded in misinforming the world public opinion about the so-called black on black violence. The Botha-Malan clique in Pretoria wasted millions of rands in a desperate attempt to divert attention of the world from its brutal and barbaric killings of innocent people, especially [words indistinct] said in many ways that the thousands of people who are daily dying in the dusty streets of our locations and townships in our motherland are a result of the so-called black faction fights in our townships and locations.

Compatriots, the past 2 years have seen an unprecedented mass political and armed struggle developing to heights never reached before. We have seen the growing unity of the people in practice, we have seen their preparedness to sacrifice all [words indistinct]. We have seen in the past 2 years [word indistinct] (?threaten) our underground combat units of the people's army, Umkhonto we Sizwe, a movement that struck (?terror) in the hearts and minds of the apartheid regime.

Within the corresponding period, the Pretoria fascists were on the other hand intensifying their recruitment within the oppressed majority. Hundreds of hunger-stricken men were recruited into Botha's death force and vigilante squads, whilst others were tribally mobilized into tribal bands like the one of Gatsha Buthelezi, all in the interests of apartheid and its [passage indistinct] freedom fighters are the bands that are used to terrorize and instill fear in the hearts and minds of all the opponents of the apartheid rule in our country. They are the very ones who are sent to our townships and locations under the cover of darkness to raid and mercilessly murder our leaders and activists. These are heartless puppets in the regime who are sent to disrupt our meetings and funerals and later claim to their bosses in Pretoria that they were attacked whilst moving innocently.

Fellow freedom fighters, it is a well-known fact to us and to the world that the ANC is the people of South Africa and the people of South Africa are

indeed the ANC. How then can the ANC carry out a self-destructive operation? The ANC is and will remain the champion of the interests of the oppressed majority in our country.

Once more, fellow South Africans, black and white, the ANC wants to make a special call to those of us who serve in the army of murder, the South African death force, those who find themselves in the gestapo police force, those who have been recruited into the killer squads, the [word indistinct] vigilantes to consider their position and role in the South African revolution.

Even at this very late hour, we call on them to think deeply about their future. The choice is, however, theirs, either to perish with a system that has fallen foul of the times or march forward to a bright and happy future with the masses of the people who are today laying the foundations of that future in the field of battle. We call on them to turn their guns to their masters. They must refuse to murder and maim their brothers and sisters, their friends and relatives, for that can only serve to perpetuate their own suffering in South Africa.

In this, our historic year of advance to people's power, we call on all people, all freedom-loving patriots of our land, to become freedom fighters everywhere they are, whether in the factories, whether in the mines, in the white houses, in the schools or universities, or even at home. Member [word indistinct], Umkhonto we Sizwe is everywhere. Down with the vigilantes and killer squads. Forward to Umkhonto we Sizwe.

/6662

CSO: 3400/42

SUCCESS OF ANC FARM IN ZAMBIA NOTED

Johannesburg SUNDAY TIMES in English 18 Jan 87 p 9

[Text]

TWO thriving farms in the Zambian bush near Lusaka, run by post-1976 expatriates and former Robben Island prisoners in a way that would please any Voortrekker descendant, are feeding the 1 000-strong exiled community of the ANC in Zambia.

For many South Africans the ANC has become a symbol of terrorism and revolutionary politics.

Few know the other side of this banned organisation, as exemplified by these farms.

Glimpse

This other side revolves around a huge organisation which has developed a startling network of international diplomatic contacts, training men and women to administer a "liberated South Africa", to take part in the economy, agriculture and other facets of life in SA.

The ANC's economic policy on nationalisation of banks and industry and the collectivisation of farms under state control has frequently caused South Africans to accuse it of having communist designs. A look at the two farms offers some glimpse into the way a future ANC government would like to run things.

The first of the farms, Tshogela Estate, some

1 335ha in size on which tobacco was previously produced, was given to the ANC by the Norwegian development aid agency NORAD in 1978.

The second farm, Alpha Farm, 1 570ha which adjoins Tshogela, was donated by the

Swedish SEDA agency in 1985.

Both are situated on the Tanzam railway line about 40km north of Lusaka and share good-neighbour relations with a farm belonging to South Africa's Anglo American Corporation.

On the surface, the farms appear to be thriving as models of ANC collectivisation methods.

Carrying maize, soya beans, sunflower and vegetables, and boasting vast herds of Afrikaner cattle

and other breeds — numbering 1 300 — as well as 1 500 chickens, 300 pigs and some sheep and goats, the farms appear to be well-managed and successful.

And yet, despite some efforts by ANC spokesmen to indicate a profit, the Swedish

and Norwegian donors continue to subsidise them.

All produce is used by the large ANC community in Lusaka, while surplus produce is sometimes sold locally.

But the biggest problem facing the ANC is the unwillingness of its own people to work on the farms.

While eight ANC members are permanently stationed on the farms, spokesmen say there are never more than 30 ANC members active there at any one time.

Embarrassment

Most of the work is done by 80 Zambian labourers living in unserviced hovels who are paid the Zambian minimum daily wage of 84 cents, or less than R25 a month.

This must cause some embarrassment to the ANC which propagates a socialist reform of South African agriculture and often attacks the so-called exploitation of farm labourers by white South African farmers.

Spokesmen for the ANC, who say no members normally receive any pay, claim youths from South Africa are unwilling to work on the farms despite financial incentives.

Instead, they say, the youths are eager to undergo military training, placing guns before food, as is often the accusation against Africa.

But this situation should be seen against the fact that the ANC draws most of its support from urban blacks, many of whom have never had any agricultural ties.

Efficient

Surprisingly, both farms are managed -- and very efficiently -- by a young Sowetan who left South Africa after the 1976 unrest and who had never previously set foot on a farm.

After leaving the country, Aaron Mafaje was sent for agricultural training in East Germany and Tanzania.

Today, dressed like any farmer in overalls and boots, he proudly shows off "his" farms.

Only now, he says, he realises that South Africa's strong economy is not only based on gold production, but largely on its agricultural development.

And helping him on the farms as his deputy and right hand man is another "city kid" turned farmer, young

Sadan Naidoo, who comes from Natal.

"We produce between 850 and 1 000 eggs a day here for our people," says Naidoo, who studied agriculture in Tanzania.

The pigsties managed by Naidoo are spotlessly clean, the pigs healthy and fat -- among them the sole survivor of two huge boars named after two Western leaders clearly counted as public enemies by the ANC.

The other hapless 'politician pig' was slaughtered for Christmas to feed 95 people.

Naidoo and Mafaje are assisted by George Naicker, a former Robben Island prisoner, who takes care of financial matters.

Seven tractors, of which three are not working due to a lack of spare parts, are used on the farms.

On Tshogela Estate a big abattoir is being built, and boreholes and a large dam provide ample water.

The ANC members stationed on the farms live in two communal homes, sharing all facilities and domestic duties.

There are no luxuries. An empty, cracked swimming pool next to the Alpha homestead is testimony to this.

ANC spokesmen strongly deny that the

farms are being used for any military purpose and point out that there are not even any defence capabilities.

There certainly were no signs of such activity.

Mafaje and his assistants spend much time training other ANC members in agricultural skills.

Mafaje believes state-run farms in a future South Africa will serve the interests of what he calls "the suffering masses" and that individual farm ownership will not be encouraged.

Difficulties

While Mafaje's farming methods are efficient and sound, he has experienced difficulties with the economics of farming and an unwillingness by black South Africans to settle down to such a lifestyle. He still relies on foreign aid to make it all possible.

How he hopes to solve these problems in a future South Africa under such a socialist system he does not say.

In the meantime, asked where he would like to farm in South Africa, Mafaje grins and says: "The Free State!"

SOUTH AFRICA

FUGITIVE COUNCILLORS TO RETURN TO SOWETO

MB131516 Johannesburg SAPA in English 1459 GMT 13 Feb 87

[Text] Johannesburg Feb 13 SAPA--Fugitive Soweto councillors who took refuge in a block of flats in Johannesburg last year are to return to the township at the end of the month. Soweto town clerk Mr Nico Malan announced this week that housing has been provided for the 36 councillors who fled the township last June during a fierce confrontation between residents and the authorities. The confrontations resulted in the death of about 30 people in White City, Jabavu.

Trouble started when the council police were rumoured to be evicting residents who had not paid rent. Mr Ndeshe Mkhwanazi, a councillor, was ambushed and killed by angry residents and several councillor's homes were attacked and burnt down.

Mr Malan refused to give specifics of the location and of the type of housing that has been provided for the councillors.

The councillors departure from the flats they had been occupying since June last year comes shortly after an Indian MP in the House of Delegates requested that the councillors leave the flats so that they could be used for the purpose for which they were intended: To house Indians.

Mr Malan said councillors moved into the flats temporarily in June last year during attacks against them. "It was a temporary measure...an emergency arrangement because there were no houses where we could house councillors."

The Soweto Council, which has been paying for councillors' accommodation at the flats, is still going to pay for damages to the flats caused because of the councillors' presence. Vandals have so far caused damage amounting to R300,000. Floor tiles were ripped up, 53 stoves and 233 light fittings stolen, 300 windows were broken, a number of window-frames and doors were ripped off and earthleakage fuses removed. There was also a bomb blast at the flats last year, repairs for which the council had agreed to pay.

/6662

CSO: 3400/42

SOUTH AFRICA

STUDY SHOWS BLACKS WANT EQUAL SHARE IN COUNTRY

MB141807 Johannesburg SAPA in English 1304 GMT 14 Feb 87

[Text] Johannesburg Feb 14 SAPA--Blacks feel bitterly that the government had excluded them from advancement and recognition, a recent survey has claimed. The survey or "qualitative research study," conducted by Independent Market Appraisers, [IMAS] was carried out among about 50 middle-class blacks at five group sessions.

Mrs Annemarie Geldenhuys, IMAS executive chairman, said the major findings of the study showed "blacks are not satisfied to take a back seat any longer."

"They want to feel and be recognised as an integral part of the economic and technological building of this country. They want to share everything in this country on an equal basis," she said.

The study showed that blacks blame the policy of apartheid for both sanctions and divestment.

Despite the Sullivan Code principles, the international company was found by respondents to be no better than its South African equivalent as an employer. "Many blacks felt that economic rather than altruistic reasons motivate international companies to divest," Mrs Geldenhuys said.

The study also showed that the unemployment insurance fund is not understood or trusted by blacks. Many of the respondents did not know how to claim, while others said there was too much red tape involved.

Some of the respondents said that there is too much dependence on whites, and blacks have been too lazy to exploit their entrepreneurial ability.

Moderate blacks do not believe that all whites want to maintain the status quo, and believe that mutual trust must be built and maintained on both sides.

/6662

CSO: 3400/42

CRIME STATISTICS FOR SOWETO REVEALED

Johannesburg THE STAR in English 30 Jan 87 p 3

[Article by Montshiwa Moroke]

[Text] A total of 2 638 people were murdered in Soweto in last year — 187 more than in 1985.

The figures were released yesterday by the Divisional Criminal Investigation Officer for Soweto, Brigadier James Beeslaar. He said 256 of the deaths were caused by guns.

"The easy availability of guns in the township is giving us a headache," he said, noting an increase of 120 firearm-related deaths in 1986.

The biggest increase in crime as a whole was in robbery cases where firearms were used.

Other crimes on the increase were rape and car theft.

These are the figures released yesterday:

- 2 638 murders in 1986.
- 256 murders by firearms in 1986, compared to 133 in 1985.
- 637 cases of armed robbery in 1986, compared to 345 in 1985.
- 1 212 cases of rape in 1986, compared to 1 173 in 1985.
- 1 778 cases of car thefts in 1986, compared to 1 595 in 1985.

Brigadier Beeslaar said there had been a slight decrease in crime in general compared to 1985. The biggest had been in robberies where weapons other than firearms were used.

"There was a decrease in crime in general last year. This we attribute to increased patrols by security forces in the townships," the brigadier said. "The drop was also partly due to the co-operation of law-abiding citizens and the people in general.

"Unfortunately, there are now more firearms, legal and illegal, available in Soweto. More people can lay their hands on firearms and we have to attend to this serious problem."

Police have arrested 16 people in the past week in connection with 12 cases where firearms were used. They have also recovered five firearms — and a toy gun.

The CID chief said the arrests were made by the Soweto Murder and Robbery Squad at Protea.

/12828

CSO: 3400/54

NEW KWANDEBELE LEADER HAS PLANS FOR MODERNIZATION

[Report on interview with New Chief of KwaNdebele, George Mahlangu: date and place not given]

[Article by Sol Makgabutlane and Rich Mkhondo]

[Text]

George Mahlangu thrust his hands into his pockets, turned around and surveyed the sprawling complex with a twinkle of pride in his eye.

"This," he said, pointing in a general arc, "represents the first phase of what will, after 10 years, be a modern capital."

Mr Mahlangu, a 36-year-old University of Zululand law graduate, is the new captain at the helm of the tiny homeland of kwaNdebele. And, by the look of things, the territory is destined for a new lease of life.

The former businessman, who says he sold his enterprises when he was elected MP for Siyabuswa, was named successor to the late Mr Simon Skosana, who died last November.

Mr Mahlangu is immaculately dressed, sports a goatee, and his clean-shaven head glistens in the sun. He strides with the forceful, measured gait of a military officer.

When he speaks he chooses each word meticulously.

"I do believe," he says, "that five years from now should bring a great deal of development and progress to this area."

Sceptics probably won't take this prediction seriously because of the homeland's track record.

Endemic violence has claimed the lives of many.

But Mr Mahlangu feels charged with a special responsibility to restore peace.

"Everything looks like it's getting back to normal," he says. "We don't anticipate any problem (of violence)."

Mr Mahlangu is one of the few young turks to assume leadership of a tribal homeland in South Africa. His speech is spotted with Latin terms such as *locus standi*, or philosophical ones such as positivism.

His Ministers — his Cabinet consists of eight Ministers and no deputies — feel he is not sufficiently experienced to handle the Press alone. Throughout this interview three of his Ministers kept a reproachful eye on him, cautioning when he was about to tread on dangerous ground.

One, Education Minister Mr P J M Kunutu, kept butting in and having his say when he was unhappy with the Chief Minister's replies.

"Can we help you there, Mr Chief Minister," said Mr Kunutu on a number of occasions.

On one of these he refreshed the Chief Minister's memory about the fact that 31 percent of kwaNdebele people commute daily between the homeland and the urban centres of the Witwatersrand and Pretoria.

Cautious not to stir controversy, Mr Mahlangu declined to reveal the population figure for kwaNdebele, saying these were still being compiled by the Department of Home Affairs in Pretoria.

He was reluctant to disclose the homeland's annual budget, independence plans and whether or not his territory received monetary aid from Pretoria.

His said his government ran the homeland from taxes levied on citizens and the business community operating there.

kwaNdebele, which is severely impoverished, consists of about 40 sun-scorched villages.

The nearest town is Bronkhorstspuit, about 30 km away from the new capital, which is called kwaMhlangu.

The homeland has 156 schools — 26 of them secondary — and 2 500 teachers.

Most of these schools were incorporated into kwaNdebele when the predominantly Northern Sotho-speaking area of Moutse was annexed.

Mr Mahlangu dismissed rumours that there has been a rift among the leadership corps of the homeland. Reports have suggested that there was uneasiness between the government and the traditional tribal chiefs.

kwaNdebele is a peculiar homeland. Whereas the nine others were established on the premise of ethnic separation — such as Xhosas, Zulus, Tswanas, Swazis, Sothos — this homeland is made up of various ethnic groupings and does not seem to have its own language.

Education Minister Mr Kunutu pointed out that Zulu, Northern Sotho, Southern Sotho and Swazi were taught at the schools in the homeland.

A "language laboratory" has been launched to establish a language which will be called isiNdebele and be the official language in schools.

The new leaders of the homeland, bubbling with plans and enthusiasm, hope that their homeland will progress and prosper.

/12828

CSO: 3400/54

SOUTH AFRICA

BRIEFS

STUDY: BLACK SUSPICION OF DISINVESTMENT--A new research study shows South African blacks are suspicious of international companies' disinvestment motives. A spokesman for Independent Market Appraisers who conducted the survey says this shows many blacks feel economic rather than moral or humanitarian factors make overseas firms pull out. The respondents also said international companies were no better employers than South African ones despite the former's adherence to Sullivan Code principles. The study also found blacks blamed apartheid for sanctions and disinvestment and feel bitter the government has excluded them from advancement and recognition. [Text] [Umtata Capital Radio in English 0600 GMT 15 Feb 87 MB] /6662

UCASA: ELECTION IMPORTANT TO BLACKS--The president of the Urban Councils Association of South Africa, [UCASA], Mr Steve Kgame, says the coming House of Assembly election is more important to black South Africans than to whites. Speaking at the association's regional conference in Capte Town, Mr Kgame said this was so because the election will determine the black South African future in the country. Referring to UCASA's participation in the state president's National Council, Mr Kgame said his organization was taking part because it believed in peaceful change for South Africa. The National Council is a multiracial advisory body to the state president. [Text] [Johannesburg International Service in English 1100 GMT 15 Feb 87 MB] /6662

INKATHA REPORTEDLY BREAKING OK BOYCOTT--Striking OK workers countrywide are awaiting report-backs from their union after talks with management. Carmel Richard reports on some of the latest developments, including boycott-breaking by Inkatha supporters. [Richard] An official of the strikers' union said today it was regrettable that 500 Inkatha members were bused to Ladysmith to shop at the OK there. Saturday's boycott busting exercise was organized by KwaZulu Minister of Welfare and Pensions Stephen Sichebe, who said he disagreed with the boycott, as the strike was a domestic issue between management and workers. A union official said their approach in the union and the supporting organizations was that consumers should choose between OK management and strikers, who were fighting for their rights. He said by deliberately buying at the store, it was clear that Mr Sichebe and his people were deciding to support management against the workers. [Text] [Umtata Capital Radio in English 1100 GMT 16 Feb 87 MB] /6662

SOWETANS PAYING REDUCED RENTS--After an agreement reached at a meeting called by former mayor Ephraim Tshabalala at the weekend, scores of Sowetans have begun paying their rent--but only R5. The meeting drew thousands of residents to Tshabalala's Eyethu Cinema at the weekend when the rent issue was discussed. Residents resolved the reduced rent of R5 be paid as suggested by Tshabalala, along with R15 for water and electricity combined. Commenting on the move, Soweto mayor Nelson Botile yesterday said: "As far the council is concerned, rents have not been reduced by the government. "Besides, township managers will not refuse any money paid in by residents on rent because this will reduce the arrears. "People can pay their arrears in instalments, even if they pay R2, but this will definitely not be regarded as payment for their monthly rent until the government officially agrees on such a move." Ambition Brown, public relations officer for the Sofasonke Party, yesterday confirmed that a resolution had been taken on the rent issue, but refused to make any further comment. Asked if the decision taken by the Sofasonke Party had been officially passed by government he said: "I do not want to comment on the matter at this stage, but I will definitely inform the Press and public as soon as there are new developments." At previous meetings held at the same venue, Tshabalala explained that R5 should be paid as rent for 5-roomed houses and that people living in smaller houses should pay less. [Text][Johannesburg BUSINESS DAY in English 28 Jan 87 p 2]/12828

BOTSHABELO TO STAY IN RSA--Botshabelo resettlement area, 50 km east of Bloemfontein, will not be incorporated into QwaQwa, according to Minister of Constitutional Development and Planning Mr Chris Heunis, Minister of Education and Development Aid Mr Gerrit Vijoer and QwaQwa Chief Minister Dr T K Mopeli. Botshabelo--or Onverwacht--has more than a half-million residents and is the biggest resettlement area in the country. However there is still scepticism over the fate of the area. A National Committee Against Removals spokesman said it was just a matter of time before Botshabelo was incorporated. Botshabelo was born in 1979 when Sothos in Thaba'Nchu were harassed after incorporation into Bophuthatswana and asked for Government protection. The Government bought Onverwacht farm as a Southern Sotho area and residents oppose incorporation into QwaQwa because they would lose the right work in South Africa. [Text][Johannesburg THE STAR in English 4 Feb 87 p 8]/12828

CSO: 3400/54

SOUTH AFRICA

NUJ LETTERS URGE RELEASE OF DETAINEES

MB091058 Johannesburg SAPA in English 1053 GMT 9 Feb 87

[Text] Johannesburg, 9 Feb (SAPA)--The National Union of Journalists [NUJ] has called on the South African authorities to consider the immediate and unconditional release of "three prisoners of conscience" being detained under the emergency regulations.

In letters addressed to minister of law and order, Mr Adriaan Vlok; the commissioner of police, Gen Johan Coetzee; and the minister of home affairs and communication, Dr J. C. G. Botha; among others, the general secretary of NUJ, Mr Harry Conroy, said the union was concerned to learn of the plight of journalist Brian Sokutu.

"We understand that Mr Sokutu was arrested at home last June and is detained, together with Donovan Nadison and Michael Coetzee, without trial under the state of emergency regulations currently in force," said the letters.

Mr Conroy added that it has been reported that Mr Sokutu and Mr Nadison, a youth church worker, have become ill and were suffering from depression.

"The NUJ fights constantly for the right of freedom of expression and feels concerned over the long detention of these three prisoners of conscience. The ill health of two of them, has undoubtedly been caused by the duration of detention," said the letters.

Mr Conroy said the union--which represents over 33,000 journalists in Britain and Ireland--urged that the three men "be granted immediate access to independent medical examination" and hoped the authorities would consider "their immediate and unconditional release."

/9599

CSO: 3400/18

SOUTH AFRICA

LOSS OF MICROFILM SERVICE DEEPENS ACADEMIC ISOLATION

MB021738 Johannesburg SAPA in English 1352 GMT 2 Feb 87

[Excerpt] Johannesburg, 2 Feb (SAPA)--South African academics have suffered a severe blow with the announcement by an American company that it was terminating the only available macrofilm reference service to South Africa universities. In the most drastic development in the country's growing academic isolation, University Microfilms International (UMI) apparently informed all South African universities that it was terminating its service to South Africa.

UNISA [University of South Africa] librarian Mr Thys du Preez confirmed the development in Pretoria today, and said the step could be linked to the fact that UMI was a subsidiary of the United States Bell and Howell Company. Bell and Howell has sold off its South African operations.

Shocked academics warned today that they would experience difficulties in keeping abreast of research abroad, and that even their status as "academics" could be called into question eventually by the international academic community.

University librarians and academics said that the microfilm service was the main--and indeed only--information conduit from the from the U.S. on unpublished dissertations and doctoral theses.

The development might compel South African universities to resort to "academic sanctions-busting." Microfilmed catalogues of titles and texts would have to be obtained from "personal contacts" abroad, probably illegally and involving piracy. This would make the information more expensive, slower and prone to disruption. Foreign suppliers would be hesitant to collaborate, as they would run the risk of being dropped from the service themselves.

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CSO: 3400/964

ANGLO AMERICAN, NUM COMPILE REPORT ON FACTION FIGHTING IN MINES

Causes Listed

Johannesburg THE WEEKLY MAIL in English 23-29 Jan 87

[Article by Sefako Nyaka]

[Text]

"FACTION fights" have been a permanent feature of Southern African mines since the discovery of gold.

The common explanation is that these are "inter-tribal riots", reflecting either the rivalry of ethnic groups competing for scarce resources or experiencing the frustrations of the migrant labour system.

Put differently: when the river of mine labour bursts its banks, it will overflow along ethnically defined cleavages.

But this explanation doesn't address the issue of why the river bursts its banks at all.

It was with this in mind that, in November 1985, the Anglo American Corporation and the National Union of Mineworkers set up a commission of inquiry to examine the causes of "faction fighting" on Anglo mines.

Titled "Reaping the whirlwind?", the joint report was completed in May last year — but because relations between the NUM and Anglo were at an all-time low, the report could not be formally adopted.

This week the *Weekly Mail* obtained a copy of the report from sources outside the union.

According to the report, Anglo perceives "faction fights" as the "conduit or channel in which underlying tensions and conflicts are expressed"

... Tensions inherent in the work situation and working conditions frequently lead to inter-group violence, in Anglo's eyes.

The NUM agrees that it is working conditions that provoke clashes between miners — but believes these clashes are actually exploited by mine managements.

Interestingly, the commission found that management generally doesn't try to place the

conflict into the broader South African context. Instead, it tends to blame "agitators or more radical elements".

A few weeks ago, Anglo management, by innuendo, accused the NUM of being partly responsible for mine violence.

This is significant when one considers that the commission found that, especially at Vaal Reefs, the NUM's drive for unionisation presents a threat to management.

"This is corroborated by the current dispute over membership figures and the tensions between management and the NUM," the report found.

Workers are becoming more aware of their rights and prepared to take action — and the NUM is seen as playing an important role.

The NUM has gradually been educating workers on the evils of ethnicity, conditions of employment, the *induna* system, single-sex hostels and other issues inherent in the migratory labour system.

Anglo agrees that if job status is linked to a particular group this could lead to inter-group violence.

Conditions of employment can be another source of tension and frustration because workers often don't understand issues like pension schemes, workmen's compensation or even how to get their food in the compound.

"As workers become more aware that they can group together and take action, conflict arises.

"Reprisals may be against management or their immediate representatives in the hostel, normally tribal *indunas*, and this in turn leads to tribal conflict.

"The unnatural, highly-regulated environment of the single sex hostels is exacerbated by the workers' complete lack of control of their own lives.

"The fact that workers are allocated rooms, in the past on ethnic lines, but increasingly ethnically mixed, leads to tension," Anglo concludes.

Some Anglo mine managers also believe that competition over "scarce resources like women and shebeens" leads to inter-hostel conflict.

The NUM pulls no punches in its contribution to the report.

It charges that the abnormal conditions imposed by the migratory system — and the exploitation of these by management — are at the root of mine violence.

According to the NUM, "conditions in the hostels are not only dehumanising but also impose a system of controls upon individuals that makes migrants vulnerable to manipulation."

"Unable to take responsibility upon themselves, workers are put in a defensive situation which predisposes them to violence."

"The only source of security then becomes the home group and the tribe, and it is the exploitation of this base which gives the violence an ethnic or tribal character."

The appointment of tribal *indunas* has exacerbated rather than alleviated ethnic mobilisation, the NUM says.

"This becomes even more evident when mine management is faced with a crisis."

The NUM is emphatic that there was a strong coincidence between the outbreak of "faction fights" and crises in the management of the mines.

During the boycott of concession stores in the Free State Geduld Mines last year, for example, "Pondo dancers" were used to try to break the boycott.

It is common practise on the mines that after a rigorous and energy-sapping dance, the "thirsty" workers are supplied with free liquor.

In this case, armed dancers allegedly moved into the bar and black hostel officials were seen buying liquor for them.

When the dancers came out, boycotters were waiting for them — and the ensuing fight had to assume ethnic dimensions, the NUM says.

When the rooms of the Pondo dancers were searched, at the union's insistence, small arms and firearms were found. "Management took no action to establish the ownership of such arms," NUM says.

Although Anglo mines have moved away from ethnic to integrated accommodation, there are still ethnic blocks, and even rooms within blocks.

The NUM claims that shortly after its establishment, management "deliberately stalled or even reversed" integrated accommodation.

The system of control and surveillance by mine security, *indunas* and *izibondas* (sub-*indunas*) is a recipe for group violence where individuals can be steered into action by any "commander".

The NUM claims that since its inception management has been trying to destabilise the union.

It points to the association of the union with specific ethnic groups by segments and individuals within mine management as proof of this.

"Workers have made constant allegations that some managers have warned them against unionisation, claiming the workers' governments back home do not want them to join the union."

"Should there be a specific ethnic majority within the union in a particular section, like Sotho, management does not hesitate to label the union a Sotho union in an attempt to alienate the ethnic minority."

The NUM adds: "In the selection of miners for training programmes, management gives preferential treatment to non-union members. Evidence of this is found in the coincidence between non-support for the union and team leadership."

"Team leaders are recruited among non-union members and sent for training before taking up their positions."

"After taking up their positions they are given specific privileges such as separate dining halls and ablution blocks and better accommodation."

This, according to the NUM, creates a black labour aristocracy.

It is common that leaders are predominantly from a specific language group and when lower-rank workers take action against them, the clashes are perceived as a "factional or ethnic attack".

During incidences of mine violence, says the NUM, the mine always uses its Emergency Protection Unit (EPU) to crush the uprising.

The EPU, which is a so-called voluntary unit, executes its duties with "vindictive ruthlessness" — especially against "problem tribes or areas".

At Vaal Reefs, members of this unit knew which blocks to attack and which ones to leave out, according to the NUM.

"They thus settled work-associated problems, and the miners interpreted this action in ethnic terms — especially where segregated rooms or blocks made this visible."

' Spill-Over of Unrest '

Johannesburg THE WEEKLY MAIL in English 23-29 Jan 87 p 12

[Article by Jo-Ann Bekker]

[Text]

THE resurgence of militant resistance which has polarised black communities is also dividing

miners and could be responsible for the recent increase in "faction fighting" on mines.

This is the view of Chamber of Mines researcher Kent McNamara, who examined the causes of mine violence in a pioneering doctoral thesis.

He believes the nationwide unrest is exacerbating existing tensions inherent in the system of migrant labour and single sex hostels.

In addition, he says, "All recent expressions of political factional violence have involved miners inspired by union developments."

Mine management has blamed unions for the violence, accusing them of intimidating workers. Unions have countered with charges that management is bribing certain groups of workers.

But McNamara is looking outside the conspiracy theories for the causes.

In the last 18 months the degree of politicisation in unions has risen as the level of civil unrest has increased. Miners, says McNamara, are now being faced with the "you are with or against the struggle" ultimatum, as in the unrest-torn townships.

He stresses this is an opinion, as he has yet to research the recent violent conflicts thoroughly.

He believes foreign workers are becoming alienated by this politicisation. For example Lesotho miners, who in the past responded willingly to unionisation and hold senior positions in the National Union of Mineworkers, have tended to shy away from the new militance of the unions. McNamara says this attitude is particularly influenced by the conservative year-old Lesotho military government's opposition to union activity.

"This withdrawal causes resentment among the rank and file of South African workers who want solidarity," he said. "The 'for or against us' battle which we have seen in the townships is now taking root in the mines. It is accentuated and compounded by the presence of non-South Africans and so groups like Lesotho nationals will increasingly be seen as more and more foreign."

Broadly, McNamara rejects theories that there are purely ethnic explanations for "faction fights". He ascribes group conflict on the mines to two general categories: communal and political, although individual confrontations will differ, arising out of specific local conditions.

Communal conflicts, McNamara says, are fairly spontaneous and breed in the conditions of migrant labour: male-only beerhalls and hostels, 16 miners to a room in a compound.

"The tensions are often between different ethnic groups because of the ethnic nature of migrant labour," he says. "But there is no deliberate attempt by miners to maintain their ethnicity. They do, however, form special bonds with people from their regions, they call them 'home friends'."

"A group of miners could be peacefully having a drink together but if one of their 'home friends' was attacked they would defend him."

Political conflicts, McNamara says, stem from the struggle for scarce resources, especially jobs and wages.

"So there are instances where a particular group takes steps to increase the representation of their countrymen on the mines, and there are instances of real attempts to kick other workers off the mine."

McNamara says South African miners tend to be hostile to miners from Mozambique and Malawi. While this centres on escalating unemployment in South Africa, he believes it might also date back to the time when foreign workers were exempt from paying personal income tax. Further resentment, he believes, might stem from the desperation of migrants from war-torn Mozambique to hold on to their jobs and their consequent reluctance to join unions, support strikes, or fight for better wages.

"The combination of the recent political tensions and stress caused by the migrant labour system of enforced communal living leads to a high level of conflict," McNamara says.

'One Year, One Hundred Dead'

Johannesburg THE WEEKLY MAIL in English 23-29 Jan 87 pp 12-13

[Text] MORE than 100 mineworkers have died in inter-group violence in the past year.

The 124 fatalities do not include deaths resulting from mine accidents or security force and police action on the mines.

January 1986: Seven black mineworkers died in fighting at the Gold Fields-administered Kloof Mine near Westonaria. Management says the fighting broke out after Pondos claimed a gang of Zulus called "Soul Brothers" molested them while they visited Pondo shebeens.

February: Seven workers killed at the Anglo American-administered Western Deep Levels

gold mine outside Carletonville. The fighting was between a combined Pondo-Xhosa group and a Basotho group, according to management.

March: 14 die at the Anglo Vaal Reefs in what is believed to be a spillover of the fight at Western Deep.

June: 11 workers die in a violent clash between NUM and United Workers' Union of SA members at the Iscor-owned Hlobane Mine.

September: Three die at the Gencor-owned Kinross Mine in the Eastern Transvaal.

November: 33 die at Vaal Reefs. The fighting started after the alleged enforcement of a liquor

outlet boycott.

Ten die at Kloof Mine after an incident at a shebeen outside the mine led to the fatal stabbing of a Zulu mineworker.

December: 29 die at the President Steyn Mine after the killing of a Xhosa worker on the mine. The NUM alleges the fight was started by an organisation known as Fito. Fito is vigorously anti-union and allegedly has management backing.

January 1987: 10 die at the Gencor-owned Beatrix Gold Mine after an incident in a shebeen involving a woman.

' Union Recipe '

Johannesburg THE WEEKLY MAIL in English 23-29 Jan 87 p 13

[Text]

THE National Union of Mineworkers believes it has a recipe not only to minimise mine violence but to stop it completely.

"The roots of violence on the mines lie in the migratory labour system — and to achieve peace, this system needs to be scrapped," the NUM said in the report.

However, this is a long-term solution.

In the meantime, mine managements should:

- Immediately stop accommodating black mine workers on an ethnic basis.

- Immediately stop any recruitment on a tribal or regional basis. On arrival, new recruits should be mixed and inducted together and not as separate teams.

- Investigate the activities of some members of management.

- Look into the system of promoting mineworkers to team leaders. Allegations of bribery and corruption in the personnel departments of most mines should be probed.

- Implement a system of equal and joint management of hostels with worker representatives.

The companies also have to find both long-term and short-term solutions to the housing problem, says the NUM. Short-term solutions should ameliorate immediate hardships like 24 miners per room, lack of hygienic conditions, theft and the type of beds.

The union claims that management had on several occasions used the "Russians" — a terror gang on the mines — to either ferment or actually carry out acts of violence in the hostels.

At the No 9 hostel in Western Deep, for example, a gate was deliberately left open and the "Russians" came into the hostel dressed as Sothos and went on to attack Xhosa-speaking miners.

This started the "faction fighting" and the fact

that two Basothos indunas were involved strengthened the allegations against management, says the NUM, since the former would not have acted without their bosses' knowledge.

Some of the allegations made to the commission relate to practices which many thought had been abolished years ago.

Miners complained, for example, about "mass-nakedness". As recruits, they claim, they are paraded naked at a recruiting office, dusted with a soap containing caustic soda and then sprayed with water.

Another outdated concept the workers complain of is the "picannin" system, whereby a worker transports the shift boss, miners and mine captain, their food and tools around the mine.

Hoisting is another problem, whites entering last and leaving first.

Although whites can take any cage to the surface, black workers cannot, so that a partially empty cage may proceed upwards without them.

Camp lamps are issued to white miners first, with the result that blacks, who do most of the work, are given the weaker lamps, facilitating a higher risk of accidents.

Workers also complained that mine regulations were frequently broken to ensure increased productivity, which directly benefited the whites miners but not the workers themselves.

They often have to perform blasting tasks — for which they cannot gain an official certificate.

Workers also feel they are insufficiently insured against injury or death.

Injured workers are discriminated against because of their colour, with medical attention less forthcoming than it is for whites.

- Gencor has not yet replied to the allegations noted in the report. Gencor management told the *Weekly Mail* that more time would be needed to examine each allegation.

Management Accused

Johannesburg WEEKLY MAIL in English 23-29 Jan 87 p 13

[Article by Sefako Nyaka]

[Text]

MINEWORKERS say mine violence can usually be attributed to a specific event — either on the mine or in its vicinity.

But they accuse management of deliberately encouraging these clashes.

A shaft steward at the Gencor-controlled Beatrix Mines, while admitting that the recent clash which left nine dead was a spill-over of a fight outside the mines, believes management could have done something to avert it.

On December 3 last year, Maduna Sekeo was returning from a neighbouring mine when he got word that there was going to be trouble on the mine — possibly a fight between Pondo and Sotho workers.

The Pondos were apparently going to avenge the fatal stabbing of their member on a shebeen in the nearby village.

"I immediately addressed the workers using a loudhailer and asked them to refrain from action as the fight took place outside the mines," he said.

The workers heeded his call — but a few days later, management convened separate meetings for both groups telling the Sothos the Pondos were going to kill them that night and telling the Pondos that the Sothos were going to kill them.

"Naturally the Pondos grouped together and attacked, killing eight people," he said.

He claims that after the fight, management searched for and confiscated weapons from the Sothos. This was after they were told that the same had been done to the Pondos.

However, the Pondos were seen brandishing weapons — and when one worker returning from Lesotho arrived on the mines he asked to be taken to his room to fetch his belongings.

He was escorted to his room but was abducted and killed in full view of the security personnel, according to Sekeo.

This put the Sothos on a war footing and the Pondos decided to leave.

Sekeo says that when the Sothos returned to their rooms after the Pondos had asked to be sent home, management searched the rooms, which were tribally mixed.

"When they found the weapons the Pondos

had left behind, management accused the shaft stewards and union members of concealing weapons. They were then summarily dismissed — thus reducing the strength of the union on the mine.

"The mine bosses are clearly bent on bashing the union," Sekeo said.

He was supported by Bohlale Citha, an NUM organiser.

"To management, 'faction fights' are a better evil than the NUM," Citha said.

"The strategy seems to be to send workers home and re-employ them selectively — ensuring that active union members don't return to the mine."

The NUM claims that a few months before the violence at the Anglo American controlled No 1 President Steyn mine in the Orange Free State, an organisation known as Fito surfaced.

It is believed that this organisation was initiated and encouraged by management.

The NUM base this on the fact that mine regulations stipulate no organisation can operate without the hostel managers' knowledge and permission.

"Management is fully aware of Fito's operations, as the organisation has been able to hold meetings on several occasions.

"At these meetings, several frightening resolutions were adopted."

Fito members have threatened the lives of union leaders on the mine, alleging that the union was placing the workers' jobs in jeopardy.

Members of the organisation were also seen in the offices of the mine manager.

The NUM also alleges that during a boycott of the bar, management armed Basothos and sent them inside. A fight was averted after union officials restrained their members.

An Anglo representative, however, said in response: "We have no knowledge of an organisation called Fito and feel it would be inappropriate to comment — especially as faction fighting at President Steyn is at present the subject of an independent inquiry."

He denied that management had used Sotho workers to break the bar boycott.

/9274

CSO: 3400/916

PLANS TO MAKE CITY'S NEWTON AREA FIRST 'POST-APARTHEID VILLAGE'

Johannesburg THE STAR in English 4 Feb 87 p 17

[Article by James Clarke]

[Text]

Private town planners and businessmen believe a start must be made immediately on the redevelopment of Johannesburg's derelict Newtown area.

They say it is the ideal focus for new South Africa's first post-apartheid urban core.

This view — with only a few dissensions — came through clearly at a private seminar arranged by the Johannesburg City Council a few days ago. Planners want to change Newtown into a "people city" — a bustling annex comparable with New York's Greenwich Village and Paris's Montmartre.

The council played host to the planners who responded to an invitation to come up with some practical ideas for the redevelopment of Newtown. Looking at the 100 top planners and urban designers seated in the ballroom of Northwards, in Parktown, city engineer Dr John Mortimer, whose idea the seminar was, said: "I am almost overcome by the attendance."

Anglo American civil engineer Mr Tony Mason described Newtown as "a one-off opportunity" to create something of value to all races in Johannesburg.

ENTERTAINMENT

The collective vision was for a character-filled night-and-day city centre extension. It would have a high density residential node, small scale shops and businesses, lots of cultural and entertainment and restaurant activity and the whole would be laced by urban parks and water features.

Seminar chairman Mr Len Oakenfull (town planning consultant) defined the purpose of the seminar: "We have to

decide ... in Newtown ... what are we going to bake and what recipe are we going to use."

Delegates made the point that before private capital can be expected to flow into Newtown the council — whose ratepayers own a third of the area — must make the first move. If the council created something imaginative in mid Newtown it would attract adjacent development.

The prize-winning design for Newtown, by Glen Gallagher and partners, showed the old Turbine House as a possible nucleus. It also showed, as did many of the other 27 entries, a "capital web" of streets, public buildings, squares and even lakes around which offices and flats could rise.

The web would have to be created by the council. Ratepayers would retrieve their capital, plus make handsome profits, by later selling off (or leasing) the remaining council-owned land which would by then be more valuable.

Mr Geoff Bottom, a council planner, warned that "even as we speak" Newtown was to some extent being pre-empted: office space was being developed, the south-west busway was heading straight for it (two big bus terminuses are envisaged), motorway access from the north-western suburbs was being planned.

He was against the idea of having a Newtown development agency (which a number of delegates favoured). He believed that from the ideas received at the seminar "we can go into an implementation stage".

Mr Les Oakenfull was clearly worried: "The council hasn't an agenda," he said. And Mr Conrad Berge of Jomag wondered why the use of Newtown as a mass transit terminus was considered immutable. "If Newtown did not become a terminus what would happen?

Has anybody asked that?" He believed the terminus function was a crippling constraint if ugly duckling Newtown is ever to fly.

Among the architects, urban designers and civil engineers were many big property developers — Anglo American, Sage, Old Mutual and Sanlam.

I noticed planning consultant Mr Jimmy Watson there. It was his tenacity, plus vigorous backing from councillor Mr Hennie Schoeman, that made Smal Street Mall possible. The mall is seen as having been a psychological step towards a new Newtown. It demonstrated how collaboration between the council and private enterprise can transform the dullest little street into a vivid, exciting upmarket pedestrian place.

What also came through at the almost non-stop all-day session was that two or three developers (powerful ones) would like to see the Newtown project shelved. Mr Bernard Snodyk of Sage suggested the development of Newtown might inhibit the growth of the central city core which "is still underdeveloped. (Sage in fact owns a lot of it. But it owns nothing in Newtown. Anglo owns property in both areas.)

Mr Gerald Leissener of Anglo American also posed the question: is the timing right? But generally he favoured a bold stroke to induce the birth of Newtown.

Professor Wilfred Mallows, planning adviser to the council, also voiced some reservations about timing. "We have to consider three things ... the need, the timing and the finance," he said in his opening remarks. But generally he supported a "start now" approach.

Mr Tim Middleton (council planner) recognised the threats to the city core

but gave assurances that a Carlton Centre or a Galleria (the Eastgate-sized centre SATS is planning on the East side) would never be allowed in Newtown.

Mr Nigel Mandy (chairman of the Central Business District Association and, from this week South Africa's first CBD development consultant) was uncharacteristically quiet. He did not think Newtown was suitable for residential purposes, he said, because of the mass terminus plan. He is on record as saying that Newtown, the city core and the SATS plan would collectively strengthen the city and that most big cities were "multi-nodal" anyway.

Mr Barry Senior, a member of the winning Gallagher team, believes Newtown can be changed into a "place where people want to go".

Delegates then individually discussed their different plans — all were bold. A Pretoria entry advocated flattening Newtown and starting from scratch.

Mr Tim Middleton made it clear that the council feels "there is a tremendous amount of symbolism in Newtown" and that some of its solid old fabric must be incorporated into the new Newtown. He asked: "What do you want us to do?"

SQUATTERS

The answer was, in a sentence, "start the ball rolling".

The support for Newtown as an important residential area for all races was clear. Some pointed out how warehouses and offices were already accommodating black squatters by the tens of thousands. Some argued that residential blocks would have to be subsidised. Others disagreed.

Architect Mr Bannie Britz commented: "We have one problem: we are still thinking in Western terms.

"A visitor described Johannesburg as the Hong Kong of Africa. He is right. It is the dynamo of Africa. We don't appreciate what we are sitting on."

He added: "We had the guts to blow up Newtown's cooling towers — now let's have the guts to get on with developing the place.

'DRAMATIC' DECREASE IN UNREST RELATED DEATHS CLAIMED SINCE EMERGENCY

Bureau for Information Statement

Johannesburg THE STAR in English 4 Feb 87 p 1

[Text] The Bureau for Information, in a statement released yesterday, has claimed a "dramatic" decrease in the number of unrest-related deaths since the imposition of the state of emergency in June last year.

It says that a daily average of 3,7 deaths was recorded from January to June in comparison with a daily average of 1,4 for the July to December period — a decrease of 62 percent.

The bureau says 916 people died in unrest-related incidents last year.

However, the Cape-based Repression Monitoring Group (RMG), paints a different picture.

Its latest figures — released in the third week of November last year — already put the death toll for 1986 at least 1 306, or 48 percent more than for the whole of 1985.

The daily average of 2,4 deaths a day in 1985 increased to 3,9 deaths per day up to November last year, the RMG said.

The number of deaths also decreased "dramatically" during the second half of the year, dropping from 665 to 251, the bureau claims.

The RMG figures show a drop from 969 to 337 in the same periods.

The bureau says cases of unrest in South Africa decreased by 70 percent in the second half of last year after the introduction of the state of emergency on June 12.

The bureau says that, during the last six months of the year the number of unrest incidents averaged 20 a day, compared with 68 a day from January to June.

DPSC Skeptical of Claim

Johannesburg THE STAR in English 5 Feb 87 p 15

[Article by Claire Robertson]

[Text]

A spokesman for the Detainees' Parents Support Committee has reacted with scepticism to the Bureau for Information's claim of a "dramatic" decrease in the number of unrest-related deaths since the imposition of the state of emergency in June last year.

"If the unrest has dropped so dramatically ... well, we cannot comment on why there is still a state of emergency, can we?" asked Mrs Audrey Coleman, spokesman for the DPSC.

"And if they now feel so secure about the situation in the townships, why are the Press still barred from going in and reporting?"

She said the DPSC was delighted to hear that the unrest toll had dropped, but "we would like to be told by the Press that this is so".

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The RMG draws its figures from the South African Institute of Race Relations.

The SAIRR is due to release its unrest statistics — which consistently show a more serious situation than do the Government's — later this week.

'DRAMATIC DECREASE'

The number of deaths also decreased "dramatically" during the second half of the year, dropping from 665 to 251, the bureau claims.

This showed that the introduction of the state of emergency had "saved lives and protected property" the bureau said.

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The bureau says cases of unrest in South Africa decreased by 70 percent in the second half of last

year after the introduction of the state of emergency on June 12.

The bureau says that, during the last six months of the year the number of unrest incidents averaged 20 a day, compared to 68 a day from January to June.

The statement says that incidents of stone-throwing remained the dominant type of incident.

"The sharp contrast between these two periods becomes increasingly apparent when the figure of 157 deaths recorded in May and the 161 deaths recorded in June, are compared with the November and December figures of 25 and 25 respectively."

The RMG has not yet released its December death figures.

The bureau claims the security forces were responsible for 34,8 percent of the deaths recorded during the period from January to June and 30 percent for the period from July to December while "black agitators" were responsible for 65,2 percent and 70 percent of the recorded deaths during the comparable periods.

If the state of emergency had not been announced "there would have been a sharp increase in the level of unrest incidents during the period July to December", the bureau says.

/12828

CSO: 3400/53

SOUTH AFRICA

COMMENTARY NOTES MOZAMBIQUE'S ECONOMIC PROBLEMS

MB061034 Johannesburg International Service in English 0630 GMT 6 Feb 87

[Station commentary]

[Text] The harsh economic reforms announced in Maputo this week are intended to cure the effects of Mozambique's 11 year commitment to scientific socialism. By all accounts, the measures announced by President Joaquim Chissano have been considered for some time, long before the death of former President Samora Machel in October last year. It's clear that the decision to follow economic reform in its drive by the World Bank and the International Monetary Fund were taken in 1984 when Mozambique joined the two organizations. [sentence as heard]

Now, the national currency, the Metical, has been devalued by (?420) percent. The government has introduced new taxes, medical and hospital care is no longer to be free, and there is to be an increase in state controlled rents and prices of food, which used to be heavily subsidized by the government. The government has also decided to reform its numerous state owned companies and adopt policy to make them more profitable.

The Frelimo government acknowledged that the country's economy is practically bankrupt. Figures released this year show that interest payments on the foreign debt amounted to twice the country's export earnings last year. The economy shrank by one-third between 1982 and 1985. Agricultural production declined by about 20 percent last year. The general production was so low that there was only one blanket for every 70 Mozambicans and one pair of shoes for every 8 citizens.

All this is a sad reflection on the heady promises made at the time of independence. Mozambique, Frelimo claimed, would be transformed into the first truly Marxist state in Africa. Within (?months) however, the economic decline (?set in) as a socialist economy was introduced and the state took control of production and distribution. The situation has deteriorated over the years and has been made worse by the civil war in the country. While the economic reforms announced this week will not constitute a miracle cure for Mozambique's ailments, they do represent a step in the right direction. A cure for the country's political ailment is, however, far more urgent.

/9599

CSO: 3400/18

BRIEFS

ELECTRIFIED FENCES WORRY AUTHORITIES--Town engineers are uneasy about electrified security fencing being put up in residential areas. Randburg town electrical engineer Max Clark says such fences could easily be short-circuited by people with a basic knowledge of electricity. They could, moreover, cause many problems for the owners, he says. Johannesburg deputy electrical engineer (technical) Roy Reed says: "I would not be happy to have one without an outer fence, although the makers claim they are safe. The shock throws you off, but the effects will depend on where you are shocked." Sentinel Fencing Systems MD Rob Anstey says his company installed 23 700-volt fences for Johannesburg houses last year--with municipal and police approval. [Text] [Johannesburg CITY PRESS in English 18 Jan 87 p 1] /9317

BLACK STUDENTS APPLY TO COLORED SCHOOLS--More than 30 000 coloured pupils returned to their classrooms throughout Natal this week when schools reopened after the annual holidays. Coloured education authorities in Durban reported a big increase in the number of applications for enrolment by black pupils. "In most case the applications will be accepted but in areas where there is a shortage of classroom accommodation for coloured children, black pupils will be refused admission," a spokesman for the Department of Education in the House of Representatives said. He said that one of the main reasons given by black parents for their children to study in coloured schools was that they regard coloured education as being of a higher standard. "It is quite remarkable that although some black pupils lived next door to a black school they still chose to go to a coloured school several kilometres away," he said. Blacks were being admitted to coloured schools following a ruling by the House of Representatives to open its schools to all race groups. He said new enrolment figures at schools in Natal would be available later in the week because some schools had not yet completed their intakes.--Sapa [Text] [Johannesburg CITY PRESS in English 18 Jan 87 p 1] /9317

CSO: 3400/944

REPORT SAYS NATION POORER THAN 15 YEARS AGO

Johannesburg BUSINESS DAY in English 26 Jan 87 p 1

[Article by Gerald Prosalendis]

[Text]

DESPITE a tenfold increase in the rand gold price, SA is poorer than it was 15 years ago, says a report by stockbrokers Edey, Rogers and Co.

In constant 1980 prices gross domestic product (GDP) per capita was lower in 1985 (R2030,79) than in 1971 (R2071,52), it says.

The report says that a GDP growth rate of 2% a year per head of population should be readily attainable in a country rich in natural resources.

"Such a rate has been met and exceeded by many countries of the West.

"It is apparent that while SA could have laid some claim to meeting such a target until the mid-1970s, the subsequent performance has been so poor as to bring the 15-year figure virtually to zero."

And, if the figures for gold in 1980 and 1981 are stripped from the GDP figures, the long-term trend since 1974 has been downward.

"It must be noted, however, that the

most important component of the SA economy, gold, had enjoyed a tenfold increase in rand terms since 1974," the report says.

It added that by the end of 1986 the deep recession of the 1980s was showing signs of ending, and leading indicators were beginning to point upwards.

This would be encouraging if it weren't that:

□ The leading indicators that began moving ahead in May last year were primarily financial ones. Even after a further 6½ months, and despite a sharp jump in gross domestic expenditure in the third quarter, the statistics relating to the real economy still made poor reading.

□ The base from which the recovery might occur is so low that a pronounced and sustained upswing would be required before an acceptable level of economic performance can be claimed to be achieved.

/9274

CSO: 3400/926

UNEMPLOYMENT INSURANCE FUND PAYS MILLIONS TO JOBLESS

Johannesburg THE STAR in English 29 Jan 87 p 2M

[Text]

STELLENBOSCH -- Provisional figures showed that the Unemployment Insurance Fund (UIF) paid out benefits totalling R348,9 million to about 448 900 jobless contributors last year, the Minister of Manpower and Public Works, Mr Pietie du Plessis, said in Stellenbosch this week.

Comparing this with the 1980 payout of R82,7 million to just over 230 000 people, he told a meeting of the Institute for Personnel Management that the UIF had come under "tremendous pressure" in 1986.

In spite of this phenomenal increase in the workload there were virtually no backlogs in administration and payouts from the fund.

Mr du Plessis said the board of the UIF, together with his department, had established a permanent committee to deal with amendments to the Unemployment Insurance Act.

The committee would give attention on a continuing basis to problematic aspects of the Act, how they could be eliminated and how the provisions of the Act could be expanded to allow more people who were presently not eligible to contribute to the fund, to share in its benefits.

The Act would be amended to provide that:

● An unemployed person who was doing training under a

scheme could claim unemployment benefits.

● Adoption benefits could be paid to female contributors who adopted children.

● Payments to dependants could also be made to widowers of deceased woman contributors.

It was also intended to introduce a Manpower Training Amendment Bill which would improve the stipulations in regard to artisan training, and an amending Bill to the Accidents Act would be introduced this session to bring about substantial increases in compensation.

Mr du Plessis said all employers should become more involved in the planning, development and supply of farm labour.

Co-operatives should be encouraged to register as private labour offices so that they could supply labour to farmers as a paid service. — Sapa.

/9317

CSO: 3400/983

SBDC OFFERS HELP TO CURB UNEMPLOYMENT

Johannesburg BUSINESS DAY in English 20 Jan 87 p 4

[Article by Theo Rawana]

[Text]

SOWETO'S open spaces and backyards are a hive of activity, with scrapyards owners, panel-beaters, welders, and other home entrepreneurs plying their trade.

Ian Hetherington, receiving the 1986 Free Market Award late last year, said there were many unrecognised home-based businesses in black areas, and called for laws enhancing individual economic freedoms and for the repeal of those that restrict them.

Small Business Development Corporation MD Ben Vosloo says the SBDC has seen 500 000 small businesses established so far.

The SBDC offers help in four areas:

- ☐ Finance — offering loans to people who cannot be assisted otherwise;
- ☐ Premises — offering low-cost shelter;
- ☐ Advisory services — counselling, professional consultation and practical business training; and
- ☐ Interest promotion — highlighting the role of the informal sector in the economy, campaigning for deregulation and fighting unnecessary control.

Vosloo says: "We help to upgrade small businesses by offering loans. By October last year loans totalling R363m were granted to 13 300 businesses. There are six different types of loan.

"One in five loan applications is normally approved, as each is judged on its

viability. We have offered advisory services to 19 000 undertakings, and one third of those are black.

"We have brought to light the fact that 40% of economic activity in SA takes place in this sector. This is a major area in the fight against unemployment. We have offered low-cost shelter in 15 areas countrywide, and these are accessible to anyone."

The SBDC aims to take up idle factories countrywide and convert them into workshops. It has two industrial areas in Soweto and is trying to get people to move out of Soweto to the Pennyville industrial area, along Main Reef Road. ☐ This is the tale of what two people went through because they did not know about the SBDC:

Scrapyard dealers Walter Sibeko and Bob Sapepa took over Class Body Works Scrapyard from a white owner in Moroka in the mid-'70s and rented under the previous owner's name for some time.

In 1983 they applied for a trading licence. They say they were ordered to close shop by administration board inspectors five months after the licence was granted. The inspectors claimed the area was "frozen".

The partners asked for an alternative site anywhere else in Soweto — to no avail. They applied for another licence recently and the reply note required them to build toilets, showers and an office. They built these, but claim the township superintendent refused to sign a form that required his approval.

/9317

CSO: 3400/982

MORE AID NEEDED TO FEED JOBLESS

Johannesburg THE STAR in English 29 Jan 87 p 4M

[Article by Chris Lebert]

[Text]

An untold number of jobless people are walking the streets of South Africa's cities in search of jobs or a place to stay.

Every day welfare centres receive hundreds of people looking for a meal, a bath, and a place to sleep. They are hard pressed to meet the demand.

The projects manager at the Hillbrow Ecumenical Centre, Mr Alan Joseph (42), said more than 40 000 people have passed through its doors since the start of the recession.

"But we can't carry on caring for these destitutes, because we are short of cash," he said.

It costs R14 000 a month to give 60 people meals and shelter, he added.

Now organisations such as the centre, run by the Methodist, Anglican, Presbyterian and Catholic churches, have launched self-help schemes.

This concept runs along the lines of a co-operative, in which members are taught skills such as agriculture or metalwork, which are put to use in the centres in order to make members self-sufficient.

"All we need are premises, such as an abandoned school, where this project can be put into operation," said Mr Joseph.

"We are looking for big business to put their money where their mouths are ... to help get the unemployed off the streets."

/9317

CSO: 3400/982

LIQUIDATIONS RUNNING AT 'RECORD HIGH'

Johannesburg BUSINESS DAY in English 4 Feb 87 p 2

[Article by Mick Collins]

[Excerpts]

WITH liquidations running at a record level, the monetary battering taken by small business and the man in the street continues.

Latest statistics released by a leading commercial credit information bureau indicate that until such time as the economy stabilises, no let-up is in sight for the private individual.

Kredit Inform MD Ivor Jones says that in 1983 the monthly liquidation rate was around 100. This rose to 400 sequestrations a month in 1986 with a slight dip towards year-end (see graph).

"Individuals, sole proprietors and partnerships have had a far more difficult four years than larger companies.

"The growth in the number of insolvencies of private individuals is because sole proprietors are being followed up more strenuously in respect of monies owed by their businesses."

Another major factor causing the crisis, says Jones, is that more companies are now calling up personal sureties.

"On the brighter side, indications are that larger company liquidations are starting to slow down after the high points over the past three years."

The number of summonses issued against business was down 30% for 1986, compared with 1985.

Jones says these are indications fewer companies are reneging on their commitments, which is a sure sign of improved liquidity and confidence in the business sector.

"It is true that liquidations do slow down towards the end of a recessionary period because the lack of business forces survivors to exist on lower turnover levels with reduced staff and inventory levels."

However, Jones says, a major problem area develops at the beginning of any upturn — with many businesses having drained their resources.

"This renders them incapable of financing growth that is required when the economy starts to improve."

/12828

CSO: 3400/55

SMALL BUSINESSES HAVE FORMULA TO FIGHT RECESSION

Johannesburg BUSINESS DAY in English 23 Jan 87 p 6

[Article by Norman Shepherd]

[Text]

THERE is a common thread binding small businesses which overcame the recession: all were flexible, adaptable and determined to succeed against the odds. The "breadwinners" provided goods or services others did not, or in a way they could not, and marketed aggressively, finding new clients or markets when their old ones fell away.

They changed operating procedures, installed modern plant and machinery, computerised administration, improved employee productivity and made available capital work harder.

Working to this formula, Cape Town's Petrel Engineering trebled turnover and increased profitability five-fold in the past three years. When Cape fishing concerns were reluctant to buy equipment, Petrel turned to exports, which last year netted it more than R5m — 60% of its total income.

The company, which employs 100, concentrates on manufacturing hydraulically-powered fish-handling gear, but MD Michael Franzen says: "More than 60% of new business in the last two years has been generated by customers asking us to design and develop one-off, custom-built products."

Two years ago, over-staffed Research Surveys, of Cape Town, was overspending. After five years of compound annual growth of 100%, the profit line plateaued. So staff and budgets were trimmed, waste-

ful buying was stopped. Costing and profit ratios were fine-tuned, operational targets were set, the frequency of financial reporting was raised to quarterly and it researched its image to check strengths and weaknesses.

Then the company's mainstay — clients in the food and beverage industry — began falling away. To solve its dilemma, Research turned to a business sector that was coping with the recession. It signed up 12 financial institutions.

It also introduced a low-cost package for businesses with tight budgets, found a way to measure the persuasiveness of advertising, designed a highly-technical product which could not be copied and gave it pricing flexibility in the upper end of the market, and it secured the rights to an advanced Scandinavian research technique.

MD Butch Rice is now looking at between 30% and 40% growth on last year's R3m turnover.

Projected turnover for Cape-based Albrecht Group Holdings — holding company for manufacturers of catering equipment, importers of food processing machinery and installers of marine electronic equipment — for the financial year to June 1987 is R16.5m. For the year to June 1983, turnover was R7.3m.

MD Kai Albrecht attributed the growth to changing to meet market needs. In 1982 staff and budgets

were cut due to a government spending cutback. Albrecht did its research and perceived potential in executive demand for pleasure boat electronic equipment. This demand materialised.

The fishing industry was also seeking ways to upgrade efficiency. Albrecht obliged by providing equipment to track working locations.

He added that an Albrecht subsidiary manufactured only catering equipment which, it had been established, was in great demand. "One of the strengths of our group has been its diversity," he notes.

Durban-based Mebro, trading as Universal Printing Company, has achieved 30% compound growth a year (turnover last year reached R9.2m, compared with R740 000 in 1978) by buying modern equipment, increasing sales staff, finding independent agents who buy and resell countrywide and divisionalising into profit-orientated units. Mebro handles printing for advertising and produces computer business forms, calendars and business gifts.

Electronic fire alarm and detection equipment manufacturer Firefite raised turnover to about R6m last year, from R1m in 1980, by manufacturing equipment previously imported, imposing strict quality control, budgeting for product development and increasing exports. It now exports to 10 countries.

CHURCH STUDY: SANCTIONS COUNTERPRODUCTIVE EFFECT

Johannesburg BUSINESS DAY in English 27 Jan 87 pp 1, 2

[Article by Gerald Reilly and Chris Cairncross]

[Text]

ECONOMIC pressures and sanctions had a totally counter-productive effect on government thinking, a Southern African Catholic Bishops' Conference (SACBC) special commission has found.

In a report, the Commission on Economic Pressures says: "The whole sanctions issue has consolidated government in its retreat from meaningful and, indeed, any reform."

Meanwhile, Anglican Archbishop Desmond Tutu, one of the most vociferous campaigners for disinvestment and the imposition of punitive sanctions against SA, will not accept any responsibility for helping accelerate government's retreat into the laager, and halting the pace of reform.

Nor will the Nobel Peace Prize winner consider reviewing his efforts to encourage SA's further isolation in the light of the apparent negative influence it is having on government's intransigence.

A spokesman at Bishops court, Tutu's official residence in Cape Town, said Tutu believed President P W Botha's tough stance was in response to internal rather than foreign pressures.

He doubted it was a result of any outside influence, and consequently the Archbishop would not refrain from calling for sanctions and disinvestment.

The commission's report, submitted to a plenary session of the Catholic bishops in Pretoria yesterday, still has to be evaluated by the SACBC.

Last year the bishops issued a statement which said that while they were deeply concerned about the additional suffering that some forms of economic

pressure might cause, they believed that "economic pressure has been justifiably imposed to end apartheid".

The special commission's report said: "The whole issue of sanctions seems to have drawn a smokescreen or red herring across the trail of why sanctions are being imposed, so that inordinate energy appears to be directed to overcoming sanctions and justifying the actions of a government seen by most of the white population as a saving influence to maintain the status quo, rather than addressing the problems that lead to these steps in the first place."

Early changes in policy to accommodate black expectations by a regime overcome by the pressures of economic boycotts was not likely to materialise, the report said.

The commission stressed that if inflation continued at the current disastrous rate the damage to the social fabric of the country would far exceed anything that comprehensive trade sanctions could do to the economy.

The application of economic pressure against SA could only exacerbate an existing serious condition.

It could be accepted that as sanctions became more effective, the tentative economic recovery was likely to be destroyed.

The commission was established after the SACBC said it did not have the competence to give specific advice on how exactly economic pressures could or should be applied.

Asked whether the report did not condemn sanctions, a spokesman for the bishops declined to comment and said it would have to be evaluated.

SANLAM: WAGE DEMANDS FUELLING INFLATION

Johannesburg BUSINESS DAY in English 27 Jan 87 p 3

[Text]

WAGE demands have become a core element contributing to structural inflation in SA, says Sanlam in its January economic report.

It warns that the public will have to realise anew that it is contributing to this cost spiral, especially if it demands more for the same levels of production.

"Wage discipline is of the utmost importance if we wish to rid our economic system of this (inflationary) cancer."

Although SA's inflation rate could ease over the next year, Sanlam remains pessimistic about longer term prospects, identifying wage inflation as a core problem.

Sanlam notes that labour remuneration represents close on 60% of the total production of goods and services in the economy.

Any changes in this remuneration would, therefore, have a significant effect on the underlying

costs per unit of production.

Former Wits Professor of Business Economics Roger Gidlow says in the Bank of Lisbon's latest *Economic Focus* that SA needs to broaden its export base if a meaningful upswing in the economy is to be sustained.

He says, however, that manufactured exports are unlikely to be the source of sustained growth. Rather, it is in the mining industry that SA has a comparative advantage.

"In the context of sanctions, the country can be expected to become more dependent on mining exports. Given these circumstances it would be unfortunate if any economic distortions in the economy prevent the underlying comparative advantages of the mining industry from being fully exploited, even if these advantages are concentrated in specific sectors of mining."

/9274

CSO: 3400/926

NATION'S BUSINESS SCHOOLS SAY MORE MANAGEMENT TRAINING NEEDED

Johannesburg BUSINESS DAY in English 26 Jan 87 p 9

[Article by Andrew Gillingham]

[Text]

SOUTH AFRICA HAS a management/staff ratio of 1:40 compared with Europe's 1:12. And SA shapes even worse in comparison with the US, where the ratio is one manager to five workers.

SA business schools say that, on the whole, SA has a high standard of management but it needs more training. They stress that it is not simply a question of training managers to the required level, but keeping them at this standard.

Dean Andy Andrews, of Wits Business School (WBS), says managers need retraining every six to nine years, depending on position, as this will prevent them falling too far behind developments in management techniques.

In SA there are seven university business schools as well as a number of commercial colleges. Some faculty members say the industry may be considered over-traded, but given the management shortages this is not really the case.

The recession has reduced demand for courses. Most business schools have cultivated a high profile image to combat this, and even Unisa has dropped its policy of avoiding the limelight.

This year SA universities suffer a 20% cut in their budgets, and business schools have suffered in tandem. However, most of the schools are buffered to some extent by the revenues earned from executive courses.

These monies are used for expenses which cannot be handled by the university budget. WBS, for example, has used these funds to give it a better student to computer ratio than even Harvard Business School.

The Pretoria University Business

School has also invested in computers, giving its lecturers PCs. The extra cash is also used for such things as building extra facilities and sponsoring additional overseas contacts.

Cuts in budgets are having some detrimental effects, with lecturers suffering under heavier course obligations and unable to devote time to vital research.

Research is an essential part of any business school's operation, and Pretoria Business School's Leon Brummer points out that research is needed to keep the course material up to date and to produce new techniques. He also believes that a major research effort is required to develop a specifically SA style of management.

He says the US and Europe have produced techniques which are directly related to their own needs. SA would do better to research a management style which would be better suited to the differences in SA business conditions.

Accepting that SA is an unusual mix of First and Third World economies within the same economic structure, Brummer believes developing SA's own managerial techniques would have major benefits, but this needs more cash.

Quality is a major consideration among SA's business schools. WBS's Andrews says the standard is very high in SA. He notes that in the US there are about 650 business schools, but there are wide fluctuations in standards, and probably only 15 are worth attending.

In SA the standards tend to be more consistent with industry's requirements and students who have followed post-graduate courses continue to be in great demand in the private sector, with good salaries to match.

COUNTRY'S MANAGEMENT NEEDS SAID TO BE CRITICAL

Johannesburg BUSINESS DAY in English 26 Jan 87 p 9

[Article by Mandy Jean Woods]

[Text]

THE University of Durban-Westville has SA's smallest business school. Since its inception in 1974 with six Indian students, the school has grown to accommodate 90 students; 55 new students are expected to enrol this year.

According to Joop Venter, director of the graduate school of business, the trend since the university was opened to whites in 1978 has been for fewer Indian students to enrol for the MBA course offered at the predominantly Indian university.

"Of the 55 new enrolments this year, 30 are white, 15 are Indian and 10 are black. This is quite disappointing, because Indians generally have a natural business acumen but tend to prefer the professions, like medicine and law. But they must move away from retail shopkeeping and into management," he urges.

'Bridging year'

SA's management needs are critical, with an average of one manager for every 40 workers, compared to one to five in the US.

The number of blacks signing up for MBA's is increasing, but few manage to complete the programme. "There is a tremendous need for blacks to get this kind of qualification. We have had 10 blacks start the course over the past four years and only two are left," he says.

Environment and background problems seem a factor in the high drop-out rate for black students in the MBA programme. "I think a bridging year is needed for black students. We have found quantitative subjects are a real problem for them," Venter says.

The business school offers only a three year part-time MBA course. "I am against full-time MBAs. In a full-time programme, students deal with perhaps four or five subjects every two or three months. It's a real pressure on them. On the part-time programme, my students have contact with a course for one academic year," he says.

Venter adds that part-time students tend to be more mature and older — the average starting age at Durban-Westville's MBA programme is between 29 and 30 — with an average of eight years practical business experience. "A survey showed that, over the three-year programme, students spent 880 hours in the classroom, 100 hours in the examination room and between 880 hours and 1 000 hours in study and preparation time. The MBA is really a full-time job that needs a lot of commitment," he says.

But even students with substantial business experience find the MBA tough going. About 40% of all first year students at Durban-Westville drop out before taking their year-end examinations.

Venter says the first year is a winnowing one, and for that reason selection and admittance of students to the programme should not be limited. "All schools basically use the American graduate management admission test, but with our cultural differences it is better to stay away from that. So far, we have accepted all the qualified students who have applied, but that could be a problem if we have more applications than we can accommodate," he says.

"I think SA is losing a lot of potential manpower because of the selection criteria

employed by the business schools. Some students may not do well in an entry examination but may have determination that propels them through the course. On the other hand, students who easily qualify to enter the programme can sometimes lack the determination to finish the course," Venter says.

There are only four full-time faculty members in the business school, but a variety of businessmen contribute their specialist knowledge to students on a part-time basis, and this extensive outside input is one of the programme's strong points.

"We believe in a strong theoretical input which the faculty provides, and then we go to the outside world for strong practical input in areas like marketing, economic environment, financial accounting, industrial relations, marketing management, personnel

management and human organisation and behaviour," he says.

Visiting professors

There is a need for the business and academic worlds to work closer together, and this is one way in which that goal can be achieved, says Venter.

"This is an area prominent in business schools abroad. Some of the best business executives are invited to be visiting professors, and I would like the local captains of industries who have South African experience to teach our students," he says.

Despite the similar lack of closeness between business and academics in SA, the business schools in SA compare well with the standard of their counterparts abroad. "Our standard in SA is excellent and I don't think we have to worry about anything, except perhaps the funding of schools," says Venter.

/9317

CSO: 3400/944

TRADE SURPLUS HITS RECORD HIGH

Johannesburg BUSINESS DAY in English 27 Jan 87 p 1

[Article by Gerald Prosalendis]

[Text]

SOUTH AFRICA increased its trade surplus for 1986 to a record R14,9bn compared with R13,6bn the previous year, according to figures issued by Customs and Excise.

If the trend continues it should augur well for SA's ability to meet both its foreign debt commitments and to build up reserves in the months ahead.

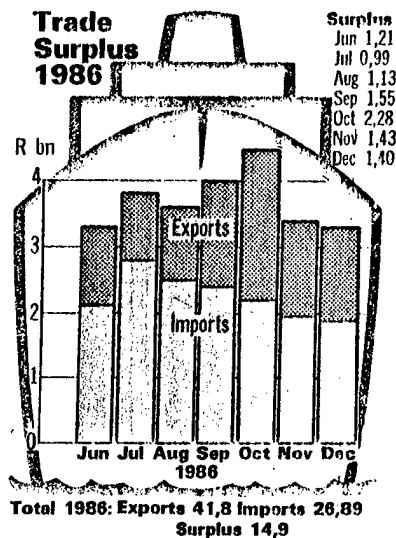
Based on this figure, the surplus on the current account of the Balance of Payments for 1986 should match, if not better, the previous year's R5,9bn. In dollar terms, 1985 and 1986 look set to be roughly equal.

Total exports for the year were R41,8bn compared with R36,5bn the previous year, despite tighter trade sanctions on South African exports and a similar average exchange rate compared with the previous year.

Imports rose to R26,9bn compared with R22,9bn in 1985. Much of the increased import figure can be traced to stockpiling of strategic commodities, probably mainly oil and could well drop back again in the months ahead to levels more in line with the depressed state of the economy.

SA's trade surplus remained roughly stable in December at R1,4bn, marginally lower than November's R1,43bn. The surplus in December last year was R1,6bn. In December, exports stood at R3,29bn and imports R1,89bn.

However, economists have issued a



word of warning about being overly optimistic for 1987. Forecasts of the current account surplus for the year vary widely depending on projections for the gold price and exchange rate — some have been as high as R7bn.

Even with a higher gold price, however, the decline of the dollar against major currencies and the rand means that each ounce of gold is not earning more in either rand or third currency terms. Thus, the affordable level of imports this year does not look set to rise as much as a higher dollar gold price would seem to indicate.

/9274

CSO: 3400/918

PETROL PRICES MAY INCREASE LATER IN 1987

Johannesburg BUSINESS DAY in English 22 Jan 87 p 2

[Article by David Furlonger]

[Text]

STOCKPILING of fuel reserves is slowing down because the country can no longer handle the rate of fuel coming in.

The slowdown is only temporary, however, and stockpiling will build up again later this year.

Once it does, an increase in petrol prices may not be far behind. Pressure is building up on the "slate", an equalisation fund that keeps petrol prices steady. Retailers and wholesalers are asking government for bigger profits.

Mineral and Energy Affairs Director-General Louw Alberts says although fuel stockpiles remain below levels the government wants, fuel has been coming in too fast.

"We have not yet got our basic reserves to the point we would like. But you can't suddenly buy up a whole load of oil at one time."

The present slowdown is the reason why the 5c "stockpile" levy on a litre of petrol is being withdrawn. Government sources told *Business Day* this week the 5c was being transferred to the slate to

prevent an immediate increase in petrol prices.

Alberts says no final decision has been made on the levy but fuel industry sources say the 5c has already moved to the slate. They say a breakdown of the latest fuel price shows government is over-recovering by nearly 4c on a litre of petrol.

Alberts says part of the 5c may go to the slate to keep down prices. "There has been increased pressure on the slate, particularly on the petrol side. We are under-recovering petrol and over-recovering diesel. Probably part of the 5c will go to compensate for petrol."

Retailers currently receive a 5,2c profit margin on each litre of petrol sold, and wholesalers 4,958c. Alberts says retailers want "a few cents more" and wholesalers "a fraction of that".

"Their margins have been constant for a long time," he says. "With wages and expenses going up, they may have a valid argument. We want to look very carefully at their needs."

/9274

CSO: 3400/918

BUMPER YEAR EXPECTED FROM MOST FARMERS

Johannesburg THE CITIZEN in English 20 Jan 87 p 12

[Text]

TRANSVAAL Bushveld farmers fear another tough winter unless good rains fall in the next two weeks, but farmers in the province are generally more optimistic than they have been for years.

A senior official of the Transvaal Agricultural Union, Mr Joel Kotze, said yesterday that for many farmers in the Western Transvaal the maize crop now building up would be their first harvest in five years.

In a more detailed run-down on agricultural prospects following a wider report on conditions as a whole in the Republic, Mr Kotze said that prospects were the best in five years, since the drought started to tighten its grip.

At the weekend the SA Agricultural Union reported that farmers were

more optimistic than they had been for years although they were still not out of the financial woods.

Yesterday Mr Kotze said in addition to the farmers in the Western Transvaal the prospects of good crops -- also for the first time in years -- were promising in the dryland areas of the Northern Transvaal and the Springbok Flats.

However, there were still regions which were still very dry and areas in which conditions were still critical, he said.

The Bushveld's Koo-doesrand area was still very dry, although the Limpopo River was again flowing. But there had not been sufficient rain to ease the plight of the cattle farmers there.

The Limpopo situation, however, meant that irrigation farmers were "able to come up for air to keep going".

In the Western Transvaal there were areas in which crops varied from reasonable to weak, and in some areas good rains were necessary within two weeks to be able to save crops.

The grazing situation had generally improved and the Eastern Transvaal in particular and the Lowveld were in a strong position.

There had been widespread hail damage, varying from five to 80 percent, in the Eastern Transvaal. But expectations were that crops would recover.

In the Eastern Transvaal rivers were flowing strongly and farm dams were full.

/9317

CSO: 3400/983

DEVELOPMENT SPECIALISTS ON PLAN TO BOOST PE INDUSTRY

Port Elizabeth WEEKEND POST in English 31 Jan 87 p 1

[Article by Bob Kernohan]

[Text]

MORE than R200 million in industrial development which will create 3 000 new jobs is in the pipeline for the Port Elizabeth-Uitenhage area.

The huge boost for the Eastern Cape was revealed this week by two industrial development specialists who have been working on some of the projects since the middle of last year.

They said some of the developments — including expansion of current operations, new undertakings and some involving foreign capital — had already been established, but the majority would be set up this year.

One company said contracts it was handling through the Government's Board for the Decentralisation of Industry totalled R95 million and should create 2 000 jobs.

The other said its contracts totalled R115 million and should result in 1 100 new jobs.

"There is speculation that negative aspects are turning off potential industries from coming to PE and Uitenhage, but that has certainly not been my experience," said Mr Alan Latham, local director of IDEC industrial and decentralisation consultants.

Mr Colin Vianello, managing director of PE-based Industrial Business Consultants, said the surge in investment was due to companies becoming more aware of decentralisation benefits paid by the Government and an improved flow of benefits.

"More companies are taking advantage of decentralisation incentives with positive results for the PE-Uitenhage region," said Mr Vianello.

He had processed R115 million in applications to the Decentralisation Board since July last year, encompassing about 60% expansions of existing facilities and 40% new ventures.

"My studies show that these will result in 1 100 new jobs being created, as providing employment is an essential part of applications being approved."

As applications took several months to be finalised, early projects were getting under way late last year, but the majority would gain momentum this year. They would peak in June and July but continue through to the year-end.

Mr Latham said applications processed by his company since July last year totalled R95 million, with 1 070 jobs to be created by new operations and 900 by expansion.

"All the investment — some of it coming from abroad is sound and solid, with many operations concentrating on the export market because we have a good harbour.

"Much of the foreign investment is from big companies, some of which have been supplying the South African market. They have now decided to begin manufacturing here, so continuing to serve the local market but also exporting competitively because of currency advantages.

"Another advantage PE has is industrial space at low rentals.

"This was initially a negative factor as jobs were lost when some factories ceased production, but now this is working to our benefit, especially when new companies

are anxious to get going as soon as possible."

Mr Latham said new industries being attracted included plastics, woodworking, packaging manufacturing and high-technology operations.

Jobs being created from single operations ranged from 50 to a high of 300.

"In terms of replacing jobs and investment lost in recent years, the new developments may not be able to make up all lost ground. But in terms of proving that there is still confidence in setting up businesses in the area, the figures are highly significant," said Mr Latham.

He believed the trend would continue.

Port Elizabeth's development officer, Mr André Crouse, said his dealings with companies — several from overseas — were in line with those of the two consultants.

He added that the Mossel Bay oil-from-gas project was also leading to many inquiries, and prospects related to this for PE-Uitenhage looked most positive.

A spokesman for the Decentralisation Board in Pretoria said that more applications were being received for new industries in PE-Uitenhage following the introduction of improved benefits late last year.

He also confirmed that the time taken to pay out benefits had been reduced after initial delays caused by computerisation, and it was hoped that claims would eventually be paid out in as little as 10 days.

In the 12 months to March last year, Port Elizabeth had 75 applications approved for new developments -- the third highest in the country -- and indications were that this figure would be bettered.

/12828

CSO: 3400/47

POSSIBLE NEW GOLD MINE IN FREE STATE AREA

Johannesburg BUSINESS DAY in English 2 Feb 87 p 13

[Text]

AN INCREASE in drilling activity in the Free State has sparked talk of a new gold mine in the area.

While observers say any positive announcement to this effect is years away, the excitement has trickled through to investors.

Fuelling the speculation are the more than 20 boreholes which have been sunk in the area north of the Loraine Gold mine.

The area — known as the Bothaville Gap because it was thought to be devoid of payable reserves — lies between the Klerksdorp and Free State goldfields.

The gap has been extensively drilled in the past, but reserves were never considered payable. Economic mineralisation may now have been found — probably by Anglovaal.

After researching drilling activity in the gap, Mathison and Hollidge mining analyst Hilton Ashton agreed there were grounds for the speculation.

"While the results of the latest round of borehole drilling are a secret, guarded jealously by Anglovaal geologists and top management, the flurry of activity suggests a new gold mine — or possibly even a minor goldfield."

In a report on the gap, Ashton said numerous options had already been acquired over the mineral rights of farms in the area. Values were running as high as R5 000 a hectare (plus 20% per annum).

"Just outside Bothaville are forests of drilling rigs, probing for that elusive high-grade patch of reef. The level of activity clearly indicates that a payable reef has been found," Ashton said.

The drilling is taking place in an area 40km by 30km between Bothaville and Allanridge — the site of the first borehole intersection of reef in the Free State.

While it is clear Anglovaal is the major participant in the gold search, JCI has also been extremely active in trying to secure mineral options. Anglo American holds a few scattered options.

Ashton said the urgency with which options were being sought was a further indication good drilling results had been obtained.

"There must be a number of positive and encouraging intersections to warrant such a spread of drills — drilling costs alone could be in the region of R1m per month."

He cautioned that it was still early days.

"Options to all mineral rights have not been exercised yet and evaluation drilling, as against exploration drilling, must still get under way. A positive announcement on one or more gold mines cannot be expected within the next five years."

Anglovaal's recently announced R200m rights issue has suggested to market commentators that the mining house plans to secure its future in the mining sector.

For although more than half its earnings originate in the mining sector, Anglovaal does not exercise a significant degree of control over many of its major mining investments.

The exception is Eastern Transvaal Consolidated Mines. But this producer — from hydrothermal, vein-type gold deposits — contributes only

8% of all the gold produced by Anglovaal-managed mines.

This vulnerability has placed considerable pressure on the group to expand its gold mining operations. Ashton said that by implication, therefore, the Bothaville project would have top priority.

There are three listed companies that appear to be the main players in the geological search. Anglovaal, its subsidiary Mid Wits and Loraine Gold Mine — by virtue of its proximity — would all benefit from any long-term development.

Most option contracts to buy mineral rights from farmers in the "hot-test" area have been taken out in the names of two companies, Sun Prospecting and Oribi Prospecting — both wholly owned subsidiaries of Anglovaal.

After examining the borehole patterns, Ashton believes Anglovaal intends to delineate a large area and to zero in on smaller areas at a later date.

"Early drilling results show the target horizons lie below 2 500m. The shallower reef horizons have been disappointing."

Geologist Toby Antrobus, who worked on the report with Ashton, said the target reefs in the Sun Prospecting area were likely to be at a depth of between 2 000m and 4 000m. The actual reef being tested has not as yet been publicly identified.

Antrobus said target reefs in the Oribi area were likely to be deeper, but may possibly be richer, being close to an entry point to the gold basin.

"The two areas in which Anglovaal and Middle Wits are interested together comprise an area equal to that of the Free State goldfield, which supports 14 mines. But it is unlikely, of course, that so many will eventuate.

"Nevertheless, the potential for as many as five new mines — perhaps even 10 — does exist," said Antrobus.

On the question of grade, Antrobus said details about the grade of gold would only be known to the inner circle at Anglovaal.

"All that can be said is that the quiet air of optimism encourages us to be optimistic also."

/12828

CSO: 3400/45

GOVERNMENT AIMING TO TOTALLY REMODEL EXISTING TRANSPORT LAWS

Legislation to be Consolidated

Johannesburg BUSINESS DAY in English 3 Feb 87 pp 1, 2

[Article by Chris Cairncross]

[Text]

GOVERNMENT'S new draft national transport policy has aroused such anger within the private sector that it has caused the major road hauliers to withdraw all co-operation with the National Transport Policy Study group (NTPS) and future plans to implement official policy.

A major confrontation is now looming between the Public Carriers Association (PCA) — representative body of more than 70% of the major private transport operators — and government.

This will come to the boil in Cape Town next Monday when PCA executive members meet with new Transport Minister Eli Louw and Transport director-general Adriaan Eksteen.

The urgently convened meeting was requested by the PCA, which intends to express its extreme dissatisfaction with government's White Paper on national transport policy tabled in Parliament this week.

PCA president Deon Blignaut said the White Paper was laudable only insofar

as government had accepted the principles of less government involvement in transport and fair competition.

But, he said, the industry was extremely upset with the main thrust of the policy document. Government and the NTPS had failed to address and resolve several vital issues that were critical for a successful new transport dispensation.

The PCA's decision to precipitate a confrontation by refusing to co-operate further with the NTPS is to forcibly demonstrate the industry has lost patience with government and will no longer tolerate the way it persists in ignoring those issues seriously affecting the viability of the transport sector.

PCA's chief executive Ian Moss said: "For more than two years government has had chapter and verse, in writing and verbally, on matters about which the private sector is deeply concerned.

"But nothing of real consequence has been done. The announcement (White Paper) of plans for changes in existing regulations contains nothing of major significance, and hardly begins to address our main points of concern."

The issue raising the most ire is the ongoing involvement of government and the Sats in road transportation.

Johannesburg BUSINESS DAY in English 4 Feb 87 pp 1, 2

[Article by Chris Cairncross]

[Text]

GOVERNMENT is aiming to totally remodel existing transport laws and structures in order to deregulate the sector as much as possible.

Notice of this is set out in a White Paper tabled in Parliament which details government's response to recommendations made by the National Transport Policy Study group, appointed to formulate a new transport set-up for the country.

Spearheading the legislative programme is a draft Bill, published yesterday, which is designed to provide for the early establishment of a new umbrella Transport Advisory Committee (TAC) to advise the Minister of Transport Affairs.

The Bill proposes the TAC should consist of 38 members, 22 drawn from the private sector (including the chairman and vice-chairman) and 16 from the public sector.

This Bill will be followed by the establishment later this year of an "interim", independent Transport Tribunal, whose primary functions will be to implement the new transport policy, investigate problem areas and solve disputes.

The thrust of next year's programme, which government intends to have passed by June, is to consolidate all transport legislation into only four separate Acts: the Road Transport Act, the SA Transport Services Act, the National Road Act and the Transport Act.

The legislation will be aimed at reinforcing the following guiding principles:
☐ Economic decisions should, as far as possible, be left to the market to make. In practice, this means the market should determine what is moved, how it is moved, at what price, from where, to which destination, at what level of service, and by whom.

☐ Financial inequities, such as the degree of cross-subsidisation required from

SA Transport Services (SATS) and the exemption of licence fees for SATS road vehicles, should be removed.

☐ Public safety should be protected through the introduction of a strict on-the-ground enforcement programme.

☐ Operator quality should be enhanced as far as possible.

In practice, government has agreed to provide the following new deals, some of which are to be phased in before any of the enabling legislation is published:

☐ The introduction of a new freight transport policy, providing for easier entry into the road transport market, more scope for private initiative and greater encouragement of small business development.

☐ The abolition of the road freight permit system, expected to save the country in excess of R60m a year in direct expenditure related to the cost of applications.

☐ The phasing out of cross-subsidisation within SATS.

☐ Payment by all road users for the

provision and maintenance of roads. It is estimated that an additional R253m must be collected annually. This will be achieved by increasing licence fees and the levy on diesel.

☐ All operators, whether companies, individuals, or semi-state or state-owned organisations, will have to pay the same level of GST on fuel and other inputs such as licence fees and excise duty.

☐ Regional Services Councils will in future be responsible for passenger transport decisions.

☐ Vehicles which can carry up to 15 passengers are to be allowed to operate as taxis. Local Road Transportation Boards are to be told to issue public permits for taxi service vehicles on merit, providing the vehicles concerned adhere to technical requirements on road worthiness and road safety.

BRIEFS

TRANSVAAL DROUGHT AREAS--A Transvaal Agricultural Union (TAU) survey shows parts of the Transvaal are still in the grip of drought. But prospects for the summer grain areas in the province are promising and farmers are optimistic that the best season in years is likely. For the first time in five years Western Transvaal farmers are hopeful of a substantial harvest. Very dry areas include Koedoesrand. Although the Limpopo is flowing, no worthwhile rains have fallen to relieve beef farmers. [Text] [Johannesburg BUSINESS DAY in English 23 Jan 87 p 1] /9274

RECORD SUGAR OUTPUT--The Transvaal Sugar Corporation has achieved record production at its sugar mills in the Eastern Transvaal. MD of the mills in Malelane, Willem Bekker, says TSC processed about 1,8-million tons of sugar cane against a previous record in the 1982/83 grinding season of 1,7-million tons. The surface area planted with cane has remained the same. A record 208,500 tons of sugar has been produced from the cane. The previous record was about 191,000 tons. [Text] [Johannesburg BUSINESS DAY in English 23 Jan 87 p 1] /9274

COAL FREED FROM PRICE CONTROLS--Price control of domestic coal is to be abolished. Government is to deregulate the pithead price--that paid to collieries--for various grades of steaming coal from April 1, says the Transvaal Coal Owners Association (TCOA). This is expected to pressure manufacturers to drop their prices, although the final delivery price paid by consumers is not expected to fall significantly. "The pithead price is just one element in the final price paid by consumers. In the PWV area the pithead price accounts for just under half of the final price, with transport and retail distribution costs making up the rest," says TCOA MD Les Weiss. In the Western Province, the pithead price represents about a quarter of the final price. While prices will be a truer reflection of supply and demand, they will be more sensitive to increases in transport and other costs than they have in the past. Although about half of the 120-million tons of coal sold locally each year is bought by industry, the deregulation will affect about 20% of the total SA market. Major coal users such as Escom, Sasol and Iscor either produce their own coal or negotiate contracts directly with producers. B Grade steaming coal is currently being sold at R19,94 a ton, while A grade coal fetches R21,02 a ton. [Text] [Johannesburg BUSINESS DAY in English 21 Jan 87 p 1] /9274

SWEDISH COMPANY PULLS OUT--Vasteras (Sweden)--The electrical group Asea, Sweden's second largest company, says it will pull out of South Africa. An Asea spokesman said yesterday that the group had sold its 24.9 percent stake in the subsidiary Asea Electric SA Ltd to the firm's South African majority owner, Power Technologies (Powertech). "This implies we will no longer operate in South Africa," he said. He would not give a reason for the move. The country's largest company, carmaker Volvo, withdrew in the 1970s. Another Swedish company, office supplies maker Esselte, left last year. Swedish anti-apartheid legislation bans new investment in South Africa. Several major Swedish companies still operate in the country in spite of government requests to scale down their business. [Text] [Cape Town THE ARGUS in English 27 Jan 87 p 9] /9274

RELIEF AID SUSPENDED IN N. TRANSVAAL--Operation Hunger has suspended all food supplies to the Northern Transvaal. The step was taken after a nun, Sister Walburga Sehone, was found to be charging villagers R2,40 a month for Operation Hunger food supplies--a 12,5kg bag of mealie meal and two cups of soup. Sister Walburga, based at the Subiaco Mission at Ha-Mothapo near Pietersburg, admitted charging for food. She said the money was to help cover costs. Operation Hunger director Ina Perlman said the organisation had never received any money from Sister Sehone. Any supplies still in the area would be brought back to Pietersburg. As soon as alternative arrangements were finalised food would be distributed again. [Text] [Johannesburg BUSINESS DAY in English 29 Jan 87 p 3] /9317

URGENT INVESTIGATION IN DRUGS--The SA Medicines Control Council (MCC) has launched an urgent investigation into 33 generic drugs which Australian health authorities this week banned doctors there from prescribing. The MDD has established a committee of inquiry to investigate the data provided by Gestalt Laboratories, which is contracted to test the drugs--painkillers, tranquilizers and antibiotics--on behalf of two Australian drug manufacturers. MCC head Professor Peter Folb said there may be an overlap of the drugs on the SA market. If the committee discovered a flaw in the data pertaining to the drugs, SA would have to follow Australia's lead. A Gestalt representative said it was standing by its results but could not comment further as it had not yet been officially notified of the decision taken in Australia. [Text] [Johannesburg BUSINESS DAY in English 30 Jan 87 p 2] /9317

DISINVESTMENT ANNOUNCED--The giant U.S. entertainment company, Warner Communications Inc. [WCI], is to divest its South Africa holdings. Their local subsidiary, Warner Home Videos, has been acquired by the (?Golan) group. In October last year Warner sold its record interest to local affiliate (?Weird) Records. The move followed parent company WCI's decision to withdraw its subsidiaries in South Africa. [Text] [Umtata Capital Radio in English 1000 GMT 24 Jan 87] /9599

ASSOCOM BUSINESS CONFIDENCE INDEX UP--ASSOCOM's business confidence index (BCI) edged up to 89,5 in January from 87 in December. A year ago the index was 81,9. Assocom says business confidence "appears to be on a plateau," despite the index being higher than it was some months ago. This was because businessmen were cautious about how long the positive economic factors would last. Although Assocom believes the foundation for economic recovery in the next 12 months has been laid, business confidence is not yet sufficiently high enough to unlock economic potential. Assocom also believes an economic policy addressing the problems of taxation and inflation is necessary and a case exists for another modest fiscal stimulation of the economy. [Text] [Johannesburg BUSINESS DAY in English 30 Jan 87 p 3] /9317

PROFITS SINK AT WEST WITS--Both Waverley and West Witwatersrand gold mines saw profits plummet despite increased gold output in the December quarter. A lower price of gold in rand terms and higher costs were the cause of a sharp fall in working profits for the two mines in Joe Berardo's Johannesburg Mining and Finance Corporation group. West Wits's taxed income (before capital expenditure) was down 40% to R922 000 (R1,54m) in the quarter. While the mine marginally increased tonnage and improved average grade from 1,08g/t to 1,09g/t, to produce 2% more gold--288,98kg compared to 283,44kg in the September quarter--high costs and a fall in the gold price received halved working profit compared to the previous three months. Capital expenditure, at R2,136m, is down for the quarter (R8,07m). The higher working costs are attributed partly to increased tonnage from underground operations--which contributed 57 000 tons to production (21%) in the three months, at an average grade of 2,36g/t. Waverley's average gold price received dropped to R29 490 from the previous quarter's R30 408, and costs a ton for the higher grade ore leaped 63% to R18,70 a ton (R11,42). Earnings a share, after tax and capital expenditure, were 24,15% down in the quarter, to 3,7c (4,9c). Dump retreatment at SA Lands yielded 69,98kg (53,66kg) at a grade of 1,08g/t (0,80g/t) on a marginal fall in tonnage. Grade from heap leaching operations was also higher at 0,35g/t compared to 0,27/gt. Gold recovered was 23,07kg (20,17kg) with tons treated down 13% to 65 000 tons (74 950 tons). [Text] [Johannesburg BUSINESS DAY in English 20 Jan 87 p 3] /9317

STATE'S TOTAL DEBT--The state's total debt at the end of the 1985/6 financial year stood at more than R39bn, about R4bn more than the previous year, according to the annual report of Auditor-General Joop de Loor, tabled in Parliament this week. Of this total, R2bn was external debt and R37bn internal. The cost-raising effect of this level of debt amounted to more than R412m, while the interest paid on this total during that year amounted to R4,6bn. [Text][Johannesburg BUSINESS DAY in English 6 Feb 87 p 1]/12828

DRAMATIC BEEF PRICE RISE PREDICTED--A beef price increase of up to 50 percent this year has been forecast by an agricultural expert at the University of the Orange Free State. Professor Kobus Laubscher, head of the Farm Management Unit, predicts that the price of all beef will increase dramatically in the first five months of the year. In a report entitled "Some thoughts on expected prices and auction conditions in the South African meat industry", Professor Laubscher said "the average price of all grades of beef during the first six months of this year (345c/kg in January) was expected to be 18 percent higher than for the same period last year". "An expected drop in the number of carcasses slaughtered will put great pressure on prices and we predict the general auction price of super beef between January and April will be about 380c/kg," he said. [Text] [Johannesburg THE STAR in English 4 Feb 87 p 8]/12828

NEGATIVE MONEY GROWTH PREDICTED--In its latest Economic Monitor, the UBS says money supply growth is expected to remain negative in real terms until the middle of the year. The Monitor says idle production capacity lies at more than 20%, which should stave off demand inflation. Moreover, the stronger rand should temporarily restrain the imported inflationary spiral. "On the negative side, a sharp rise in government spending (foreseen at around 24%) will certainly aggravate inflationary prospects in the longer term." It says public sector staff will probably get increases of about 15%. The Monitor forecasts an average gold price of \$440/oz, which will contribute to the estimated current account surplus of R6bn this year. [Text][Johannesburg BUSINESS DAY in English 6 Feb 87 p 3]/12828

MINERALS BUREAU STATISTICS HEARTENING--Coal exports maintained their momentum in November, with tonnages showing no sign of trade bans. Just more than 3,9-million tons of coal was shipped from SA, taking the total export figure to 40,1-million tons for the first 11 months of 1986. This compares with the 44,7-million tons of coal exported in 1985. Latest statistics from the Minerals Bureau--for November--show SA's total income from mineral sales was R2,9bn. This takes earnings for the first 11 months to R27bn--4,6% higher than in 1985. With December sales still unaccounted, SA's total income from minerals in 1986 seems set to rise by about 15% on 1985's R25,8bn. [Text][Johannesburg BUSINESS DAY in English 5 Feb 87 p 9][Article by Cheryllyn Ireton]/12828

EMIGRATION CAUSES UNEMPLOYMENT--Every 10 professionals who emigrate leave 44 South Africans unemployed. Stellenbosch University's Prof Jan Sadie said this was because the presence of professionals was a precondition for the employment of lower-level workers. Prof Sadie said in an article in the latest edition of "South Africa Foundation News" that the effect of skilled manpower leaving South Africa had not yet been felt in the economy, but would be experienced once the economy moved upward at a reasonable rate of growth. Discussing the reasons for whites emigrating, Prof Sadie said: "Dissatisfaction with the existing socio-political system ... cannot be credited with any significant role. [Text][Port Elizabeth EVENING POST in English 3 Feb 87 p 9]/12828

CSO: 3400/45

END